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WEST EUROPE REPORT

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VOTERS ALMOST EVENLY DIVIDED ON MISSILE DEPLOYMENT ISSUE

Oslo ARBEIDERBLADET in Norwegian 13 Jun 83 p 7

[Article by Thor Viksveen:]

[Text] Voters are almost evenly divided on the issue that a halt in NATO missile deployment can lead to an improved negotiating climate. Some 45 percent believe the climate will improve if NATO halts its missile deployment, while 41 percent feel it will weaken NATO's negotiating position. This is according to a poll taken by the Norwegian Opinion Institute (NOI) for ARBEIDERBLADET.

NOI asked a nationwide selection of 1,049 persons the following question: "Do you believe that a halt in Western preparations to deploy new missiles will improve the negotiating climate, making it easier to reach an agreement, or do you feel that such a halt would weaken NATO's negotiating position, making it more difficult to reach an agreement?"

Some 45 percent felt that such a halt would lead to an improved negotiating climate, while 41 percent felt that our position would be weakened. Some 19 percent answered "don't know."

Among Labor Party voters, a clear majority, 56 percent, said "an improved negotiating climate." Some 29 percent of them answered "NATO's position would be weakened."

Among Conservative Party voters, a sensationally large number--33 percent--answered that a halt in the missile deployment would improve the climate. This figure must be seen in relation to the Conservative Party leaders' firm stand on the issue. Some 57 percent of the Conservative voters questioned said that NATO's position would be weakened by saying "no" to deployment.

With respect to the two new government parties, Christian People's Party and Center Party voters were almost evenly divided on the issue. Not unexpectedly, the opposition to deployment was greatest among Socialist Left Party and Liberal Party voters, while a large majority of Progressive Party voters rejected the idea that saying "no" to deployment will improve the negotiating climate.

PAPER COMMENTS ON SOVIET ESPIONAGE, NORWEGIAN PEACE MOVEMENT

Oslo AFTENPOSTEN in Norwegian 25 Jun 83 p 2

[Editorial: "Peace Work of The Soviet Spy"]

[Text] So many Soviet diplomats and officials have been expelled from Western nations in the last few months that it hardly created a stir outside Norway when a Soviet military attache in Oslo was ordered to leave. Valdimir Zagrebnev returned home to Moscow the day before yesterday. Reports, which we have no reason to doubt, say that he tried to bribe a Norwegian officer to get secret information about Norway's defense.

From one point of view, the Soviet officer's eagerness to serve is understandable. An article in the Soviet Defense Ministry organ RED STAR last Tuesday suggests there is a great need for such information. Fortunately, it is rare that such a mockery of conditions in Scandinavia is printed, even in the Soviet press. However, Soviet envoys in our capitol could begin by sending information which is openly and lawfully accessible--and far cheaper. That would give them considerable insight and, used as a basis, this information could lead to a more sensible neighbor policy than what Moscow is presently pursuing.

One Norwegian who has been in contact with Lieutenant Colonel Zagrebnev describes the Soviet officer as a friendly and likeable man, who has a great interest in peace work. Yes, there is a great interest in peace work among East European diplomats and other officials. In East Germany, the interest is so great that peace activists are deprived of their citizenship and are being thrown out of the country--with brutal force if necessary. In Czechoslovakia, where the World Peace Council is presently holding its congress, the interest is so great that supporters of the Charter 77 movement have received the following message: "You are committing a criminal offense--criminal!--if you contact delegates to this congress." In the Soviet Union, the interest is so great that peace activists risk being confined to mental hospitals.

Lieutenant Colonel Zagrebnev's colleagues in Moscow are engaged in a different kind of peace work than ordering and administering mental hospital confinements. The famous RED STAR article last Tuesday said that "the Nordic countries will burn in the flames of a nuclear war in the name of Atlantic

solidarity." Had this statement been commissioned by the U.S. government, it could hardly have been formulated better. For this is the crux of the matter: which nuclear weapons threaten the Scandinavian countries" Those missiles already deployed by the Soviet Union, the SS-20 missiles, the number of which far exceed the number of possible military targets in all of Europe? Or those yet to be deployed in Western Europe, beginning next year, provided no reduction agreement is reached in Geneva? What will kindle the flames in Scandinavia if not the Soviet weapons, according to this reasoning.

The regular leader of the peace movement "No to Nuclear Weapons" in Norway, Ole Kopreitan, said in a commentary yesterday that the espionage disclosure would not make the movement's work any easier. That is understandable. But an incident like the deportation of Zagrebnev would hardly have created the same problems for the movement had it not always been more sympathetic toward Soviet military plans than those of the West. In particular, it would have been easier--and perhaps fairer--if the movement had commented more sharply on the relatively new information about Soviet nuclear arms outside Soviet territory.

For that is not hearsay; the statement was made by West German Defense Minister Manfred Woerner in a recent Bundestag debate. And this information is far more credible than are articles in the Soviet Defense Ministry's chief organ or desire-for-peace assurances from Soviet diplomatic officers with hundreds of Thousands on account for use when the need arises.

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CSO: 3639/135

ECONOMIC PROBLEMS FACING NEW GOVERNMENT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 1 Jul 83 p 13

[Article by Hanni Konitzer: "No Grace Period for Austria's Government"]

[Text] There is no period of grace for the new Socialist-Liberal governing coalition in Vienna. Even before the two partners, the Socialist and the Liberal Parties, so different in their economic policies, have had a chance to adjust to each other, they must face their first hard test. The 1983 budget deficit, now out of control, must be financed and the deficit in the 1984 budget must be reduced, whereby--as Federal Chancellor Fred Sinowatz says--it will not happen without "painful stresses."

This year's deficit in the national budget may reach the equivalent of DM14 billion, at a time when total monetary capital formation in Austria will be only DM12 to 13 billion. These figures alone speak volumes. On the one hand, there is a budget deficit that will be incomparably higher than what was foreseen in the 1983 budget bill. On the other hand, there is the collapse of the previously vigorous savings tendency of the population, because the interest profits tax announced at the beginning of the year by then Federal Chancellor Bruno Kreisky for savings accounts and securities has produced precisely that shock to Austrian savers that many warning voices had predicted. The small saver in particular finds this taxation "unfair." And he protects himself in his own way. He withholds his savings.

In the first months of this year, the increases in savings deposits in Austria declined to less than one-fourth of the previous year's result. In the first quarter, the increases in the entire Austrian credit apparatus were only 2.78 billion schillings compared with 12.44 billion a year earlier. Expressed in German marks, this represents a decline from 1.77 billion to 400 million. For loan subscriptions as well, the increase for noninstitutional bank customers was declining. Instead, sellers of expensive consumer goods and luxury items are enjoying an unexpected boom. For Austrians have put a substantial part of their demonstrably withheld or withdrawn savings into carpets, furniture, hi fis, jewelry and automobiles.

The new government in Vienna is anything but happy about inheriting from Kreisky the tax on savings interest, but it has not dared to let it fall completely through the crack. In the first place, because the finance

minister has an urgent need of additional revenues to plug up the holes in the budget, and in the second place, because one hesitates to do this to Kreisky, who lost the 24 April elections not least because of the new taxation of savers. Thus the tax on savings interest has been modified into an "anonymity duty," which beginning 1 January 1984 will be collected only from anonymously assessed savings. But that has the disadvantage that the finance minister may expect incomparably less revenue than he had hoped for initially.

This year's budget deficit is estimated at 90 to 100 billion schillings. The net national deficit's proportion of the Austrian gross domestic product has risen from 2.6 percent in 1981 to an estimated 5.5 to 6 percent for this year. In the coming budget year, it could reach 7 percent if drastic measures are not taken by the government.

Sepp Wille, the new chairman of the Socialist parliamentary group and a leading trade unionist, recently made an open demand for an "about-face in economic policy" and declared that a budget deficit of 100 billion schillings (some DM14 billion) is simply unjustifiable. Above all, however, Prof Stephan Koren, president of the Austrian National Bank, has sounded the alarm. Koren warned that the Austrian hard-currency policy, which for many years has proven to be correct and useful for the country, is not a question of will but rather one of ability. From the point of view of the budget, dangers are becoming apparent here. "I can pursue a hard currency policy only as long as my macroeconomic conditions are comparable with those of the other hard-currency countries," said the president of the bank of issue. They would have to be comparable above all in inflation trends, incomes policy, foreign trade and payments and budgetary policy. The critical point for Austria is now, for the deficits in the Austrian national budget are "running away" compared with results in Germany. Koren pointed out that in the late 1960s the national deficits in the FRG and in Austria as a percentage of the gross domestic product were "identical right down to the decimal point." Then for a number of years, the German budget deficit, in relation to the gross domestic product, grew more rapidly than the Austrian deficit. The opposite is now the case.

The main problems in the Austrian national budget are the enormous subsidy obligations for social security, the Federal Railway and nationalized industry. It is here that cuts would have to be made. It has now also become apparent that the conviction, cultivated for years by the Kreisky government, that a small number of unemployed is itself proof of correct economic policies is dangerously false in times of persistent stagnation. The price for the relatively lengthy sustained full employment in Austria, that is, rapid growth in the national debt and state subsidization of unprofitable jobs at the expense of necessary structural improvements, was too high.

Austrians are facing a period of rough going. Despite serious warnings from industry, which is worried about its international competitiveness, the new government in Vienna appears again to be trying to achieve the necessary

relief for the national budget mainly through additional revenue and not through rigorous savings in expenditures. Up for discussion are an increase in the value-added tax from 18 to 20 percent, a tax on energy, a highway toll, another increase in social security contributions, the inclusion of transfer payments--family subsidies, for example--into the progressive tax structure and a number of other ideas that burden the taxpayer. Since 1970, when the Socialists took over the government in Vienna, the proportion of taxes and duties in the gross domestic product increased from 35.9 to 41.8 percent. But at a certain point, the tax burden becomes too great and new taxes yield practically nothing. The question is whether it is already time for the new government in Vienna to learn this.

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CSO: 3620/395

NOTHOMB ON ECONOMIC REGIONALIZATION, OTHER ISSUES

Brussels KNACK in Dutch 22 Jun 83 pp 30-32

[Interview with Charles-Ferdinand Nothomb, PSC minister of interior affairs and civil service: "The Walloons Are Just as Reasonable as Anybody Else"; date and place of interview not given; passages enclosed in slantlines, printed in italics]

[Text] During the special powers debate in parliament a week ago Sunday, CVP [Social Christian Party (Flemish)] Minister of Economic Affairs Mark Eyskens was suddenly applauded from the government bench by PSC [Social Christian Party (Walloon)] member Nothomb, but not by Nothomb's party colleagues. Later on, Nothomb assumed that he applauded because he had perhaps understood Eyskens' Dutch better than his colleagues. Indeed, the only certainty which the minister of interior, who comes from deep in Luxemburg, offers is his knowledge of Dutch. The following interview was conducted completely in our language.

Question: You would like to talk about Cockerill-Sambre and about the regionalization of the five sectors, to which your party is so vehemently opposed?

Charles-Ferdinand Nothomb: My basic opinion is that we are living in a constitutional state. We have enacted laws. I helped enact them and I try to respect them. Now we should not try to change the law because a new situation has developed. We can discuss the future, but current problems must be settled with the current laws. The situation has become difficult now; we are faced with serious problems. What is important now? To solve the problem. If I were convinced that the problem would be solved better by putting it in different hands, then we could change hands. But this does not seem to be the case at all. The best capacity for decision making to solve the matter still lies with the national government. What does that mean? Well, it is important. As a matter of fact, I don't understand a number of Flemish politicians and virtually the Flemish press as a whole when they exclaim that Cockerill-Sambre is after all nothing but a bottomless pit, an unsolvable case with which they no longer want to have anything to do, and which should thus preferably be placed in other hands. What I cannot accept is the fact that a situation could be unsolvable. Like the problem of the big cities, we politicians now have to solve this problem also. We must find a reasonable, logical and acceptable solution. Now, I have heard that some Flemish colleagues

claim that we, the Walloon ministers, will never have the political capacity to implement a reasonable solution. You should not think, however, that we -- the Walloon ministers, the Walloon members of parliament, and Walloon public opinion -- would simply be proponents of maintaining a poorly managed Cockerill-Sambre, without prospects for the future, that we would want to keep that company at any cost as a valuable property. This is what they think in Flanders, but I would argue that there are also people in Liege, in Charleroi, and elsewhere who definitely don't want a bottomless pit going on for years. Walloon public opinion is represented best by the members of parliament of the majority, and by the ministers who are now in charge at the national level. They represent the man in the street from Liege, Charleroi, Arlon or Brussels, who also thinks that enough money has already been sunk into the steel industry. A balanced position with regard to the national sectors and Cockerill-Sambre also exists among the large majority in the French speaking part of the country.

Question: What sticks in the throat of the Flemish, however, is the always one-sided demand for solidarity.

Nothomb: I don't like to hear those Walloon leaders, some of them, who are always talking about solidarity in a threatening way. In my opinion, the reality of the matter is that the idea of solidarity is not divided along the language border, along the border of the regions. At least about 100 enterprises in Brussels would have a troubled future ahead without Cockerill-Sambre. About 5,000 jobs in the capital are dependent on the Walloon steel corporation. And what is true for Brussels, also applies to Limburg and Antwerp. I try to express solidarity at all levels, but I don't see why someone from Arlon or Tournai would feel greater solidarity with Liege and Charleroi, than someone from Limburg or Antwerp. Everyone's solidarity relates to his geographic location, but economic geography definitely does not follow the language border. I think that there is greater economic solidarity between Limburg and Liege than between Tournai and Liege. The institutional side of the Cockerill-Sambre problem is the angle from which the problem would best be solved. We enacted the law of 1980; let us then stick to it. As far as the distribution of efforts and costs are concerned, I would say the following. It seems to me that the situation is similar to that of the big cities. In this respect, I dare say that there is a greater difference in the distribution of costs within the regions, than among the regions. Within the Municipal Fund, for example, I see a greater difference between West Flanders and Antwerp, than between Flanders and Wallonia. For the intelligent part of Flemish public opinion, which must certainly be the majority, it may well be important to know that there is undoubtedly an irrational part of French speaking public opinion which is bent solely on getting as much money as possible put into the steel industry, but that there is also a rational majority in Wallonia which, on the other hand, wants to put as little money as possible into it. A majority which realizes that even though the steel industry has been the backbone of the Walloon economy, money must now on the contrary be placed into the sectors of the future. But we are stuck with this problem, just as we are stuck with the problem of the big cities. There too, I would rather spend money on building sports centers than on wiping out the debts of the past.

Question: There is a growing tendency within the CVP to allow Cockerill-Sambre to go into controlled bankruptcy. Do you agree with that?

Nothomb: Talking about bankruptcy is certainly not the best way to solve the problem. I can perfectly well understand that some people are looking at this as a working hypothesis, in order to assess its costs. But is that important? The legal-institutional formula is not essential; what is essential is the question of how we can get the steel industry to a sound production level, to a level that is viable. One of the major trump cards of the Belgian steel industry is its production quota. To enter the major European negotiations without having the negotiation capacity of the current quota would be a mistake. This does not, on the other hand, mean that we should strive for a steel production that we would not be able to sell, or would have to sell below price. It is important that we not produce more steel than can be sold above the production price. That is pure reasonableness, and the French speakers are reasonable. As reasonable as anybody else.

Question: Whatever the solution, there will have to be a consensus within the administration, among the majority parties. Such a consensus is not visible at this time. When you ministers meet, do you assume that you have to find a solution no matter what or are you all concerned with your own assumptions? The question actually is whether this government, this coalition will be able to solve the Cockerill-Sambre problem? And if it can do so, in what direction?

Nothomb: In my opinion, yes. Why? Because we want to continue to govern until the end of the legislative session, that is the first condition, and because secondly we think -- and public opinion thinks the same -- that the best thing for us would be to continue to govern together. This does not alter the fact that the matter is still a difficult one. We have always tried to maintain a climate within this administration whereby French speakers and Dutch speakers did not end up on opposite sides. I lived through the bad experience of the previous administration; never again. When we sit around the table, there are of course differences of opinion and of sensitivity, but like me the majority of the ministers want to find a national solution. We realize -- and that in itself is significant -- that the solution will have to come from discussions. Now, there is obviously a difference between a non-decision and a decision. A non-decision is by its very nature also a decision, for which you don't need a majority, but everybody knows that such a non-decision could be even more costly. If you ask me, I am completely optimistic about the outcome of the negotiations. When there is a political will, when public opinion is aware of the scope of the problem, and when the government wants to continue to govern, and when we have the legal instrument in our hands, then a reasonable and national solution should be obtainable.

Question: It is generally said today that it is not possible to retrench any further, and yet at least 115 billion francs will have to be found. You are also minister of civil service, of nearly 1 million civil servants. Are any further savings possible there?

Nothomb: I know perfectly well that the weight of the Ministry of Civil Service in the budget is 430 billion francs; it is one of the heavy items. It is obvious that civil servants are not appointed primarily to create jobs, but to provide sound services to the people. The corps of civil servants plays a role in employment, but should not be a decisive factor. Now, even the non-renewal of the administrative machinery costs money. Personally, I always defend the rights of the civil servants who are definitely not the best paid group in Belgian society, and I also defend the strengthening of their hierarchy. Hence, I don't believe that large savings can yet be achieved in this area, but I believe that in the future we will have to draw our attention more sharply to the distribution of the available labor. I will follow my colleague of the Ministry of Labor and Employment when he comes up with a thorough reform in this sense. I think that the major employer, which the Ministry of Civil Service is, should participate in the changing of the general course of events in society. We cannot limit ourselves to being purely an austerity cabinet; concern for the future thrusts itself forward. Two and a half years from now will be the end of this legislative session. If we still want to complete things before then, time is getting short.

Question: In the sense of the Palashty thoughts?

Nothomb: Yes, we cannot refuse to discuss revolutionary measures. Thus, a fundamental change is also necessary in the area of compulsory military service. For the coming years, there is the problem of the contingent for the army, and at the same time we have to review the concept of compulsory military service. We are ripe for that now.

Question: Are you going to lengthen the compulsory military service?

Nothomb: I didn't say that. Let us start with the problem of conscientious objectors. This status was provided for a few hundred cases, but the number of young people who request it continues to grow. Of course, a conscientious objector has a qualification which /cannot/ be verified at all. When someone says that he is a conscientious objector, then he is. How could there be a procedure, in a democratic state, and with the administration we have, to check someone's /conscience/? However, we do know that a number of young people who register as conscientious objectors would rather do a kind of civilian service. Well, it should be possible to revise the system in this sense. I want to make an opening in that direction. My first problem remains to ensure the contingent for the army, after which, at a second level, I am very positively inclined toward the so-called conscientious objectors.

Question: You have been party president, president of the House, minister of foreign affairs, and now of internal affairs. For a politician, that represents a very successful career. Will the bill on the intermunicipal authorities become your life's work? As a matter of fact, you are increasing the responsibility of the municipal representatives.

Nothomb: Both that of the municipalities and of their representatives. There is very widespread criticism of the intermunicipal authorities to the effect that the communities have no voice at the level of the mixed intermunicipal authorities, that when a province is also included in the intermunicipal

authority it is the permanent representative who has the last word, and that the policy of the intermunicipal authorities is never discussed by the municipal council. Nobody knows what is going on. And since the merger of the municipalities there is the added fact that now several intermunicipal authorities are operating on the same municipal territory, under different statutes. In my bill the whole problem would be solved in the direction of the sovereignty of the municipality. It will remain possible to look for a consensus, but when this does not occur then the municipal council would decide. Secondly, in the statutes the municipalities would always have a majority on the management board, even in the case of intermunicipal authorities in which a two-thirds share is held by the private sector. Thirdly, the share of the municipalities must be represented by municipal council members, and the chairman of the intermunicipal authority must always be a member of the municipal council. Thus, for example not the permanent representative if that were not to be possible, but in that one single case it could be the governor. I am the 12th minister of internal affairs in 16 years.

Having been in this administration for a year and a half, I have now exceeded the average survival rate of my predecessors. I have needed that year and a half to get the bill ready on the intermunicipal authorities, and another year and a half will probably be necessary to get parliament to vote on the matter. If the government were to fall, then everything would have to be started all over again. The first bill on the intermunicipal authorities goes back to 1958, to Minister Vermeylen. It was known that there were problems with it, and every minister started working on it. They wanted a regulation for the merger of the municipalities, that was /7/ years ago.

Question: Liege is only the vanguard of the overall problem of municipal finances, which is now coming to the fore. Doesn't it worry you that there are only about 30 municipalities left which are able to draw up a balanced budget?

Nothomb: It was a tradition for the municipalities to submit their budget with a slight imbalance. After all, they didn't spend everything that was included in their budgets, and they always had the surpluses from previous years left. But now, there are only deficits and debts from previous years, and that is becoming intolerable. However, a solution can be found for 500 out of the 589 municipalities; we are working on it. In short, we are stuck with 15 municipalities with a serious situation, and with 2 cities with an extremely serious situation. For them a special plan will be required. Before the end of the year, we will be ready for Liege and Antwerp. Could I set something else straight? Here and there, I have read that there are more deficits in Wallonia than in Flanders. That is true, but let us take a closer look. If we remove the five big Walloon cities from the 24 billion franc cumulative deficit in the Walloon municipalities, then only 4 billion remains -- just as in Flanders. And if we take Liege out of those big cities, then only 5 billion francs remain for the others. Flemish public opinion should definitely not think that all Walloon cities are managed like Liege, just because it has appeared on television so often. Walloon public opinion and its mayors, including those on the outskirts of Liege, share an opinion which is also the opinion of the minister of internal affairs.

CANADIAN GOVERNMENT DENIAL OF SUPERTANKERS IMMINENT

Copenhagen INFORMATION in Danish 23 Jun 83 p 10

[Article signed to press by RB [Ritzaus Bureau]: "No Supertankers off Greenland;" Ottawa, 22 June]

[Text] Icebreaking supertankers will not be sailing along the Greenland west coast in the coming years. Sources within the oil industry as well as the Canadian administration tell RB that the so-called Arctic Pilot Project (APP) has suffered a silent death.

The plans to transport cooled natural gas from the northernmost part of Canada by sea through the Northwest Passage and down through the Davis Strait have in recent years greatly agitated people in Greenland. The people fear that the noise from the tankers' powerful propellers, which will be operated by a 150,000 horsepower engine, will destroy the internal communication of the marine mammals and frighten them away and thereby eliminating the basis for the existence of the sealers.

The reason that the plans for the tankers have been abandoned is a great surplus of natural gas in Canada, the dropping energy prices and lack of interest in the European market for which the APP gas was intended.

In addition, sources within the oil industry mention public opposition to the project, especially on Greenland's side.

9583

CSO: 3613/140

TRADING COMPANY REPORTS LARGE DEFICIT FOR 1982

Copenhagen BERLINGSKE TIDENDE in Danish 19 Jun 83 p 11

[Article: "KGH Deficit of 287 Million Kroner"]

[Text] Last year, the Royal Greenlandic Trading Company (KGH) had to have a subsidy from the state amounting to 297 million kroner to cover the deficit incurred in activities in Greenland. This is an increase of no less than 57 percent in comparison with 1982, when the deficit was slightly over 189 million kroner.

The steep increase is especially due to the unusually hard winter which brought a drop in the production activities and an increase in expenses.

The largest deficits are in the production business and the sales organization--or close to 131 million kroner, compared with slightly over 78 million kroner in 1981. It is exactly this part of KGH's operations that is about to be separated from the other activities in anticipation of the takeover by the Greenlandic home rule administration.

The main activities in the production operations are nine modern industrial plants which, however, all operate at a deficit.

The sharp increase in the deficit is primarily due to insufficient supplies because of the ice problems for the fishing in addition to marketing difficulties for some products--dried and salted fish products and sealskin. The sales organization's turnover of a total of 565 million kroner came about with an operational subsidy of almost 131 million kroner.

9583

CSO: 3613/140

MINISTER REPORTS TALKS WITH SOVIET OFFICIAL

Athens ELEVTHEROTYPIA in Greek 30 Jun 83 p 16

[Text] Giorgos Katsifaras, minister of the Merchant Marine is bringing a message from the Soviet leadership to Greek premier, Andreas Papandreou, after an unscheduled meeting with Geydar Aliyev, 1st deputy chairman, USSR Council of Ministers, responsible for economic affairs.

After the talks, Mr. Katsifaras stated the following to ELEVTHEROTYPIA:

"Last night I was told that I would see Aliyev today. In fact, I went to the Kremlin at 9:30 a.m. and we conversed for 1/2-hour. The minister of the Merchant Marine, Guzhenko, was also present.

"Aliyev had been involved in transportation matters. He was totally informed on what we had spoken about with Guzhenko yesterday. He told me that they will do whatever is possible to support us, that they want to have very good relations with the Greek people and the Greek government and that they understand that the positions, with regard to detente and peace, taken by Papandreou in all international organizations are such as to be costly...

"He expressed the Soviet view that the bases serve American interests. And I told him that they should not be used against countries friendly to Greece such as the Soviet Union.

"Aliyev told me that Prime Minister Tikhonov had been advised of our meeting today and asked me to please convey his personal greeting to Andreas Papandreou and that they consider the agreement which was signed during the visit to Greece to be an agreement of great importance. Already the agreement has been put into effect.

On the subject of the Merchant Marine specifically, Aliyev repeated that they will do everything possible on their part to help Greece because they know how important the merchant marine is to the economy of our country."

Tourism

Yesterday an agreement for the development of Greek-Soviet tourism was signed in Moscow by EOT [Greek Tourism Organization] president, Mr. Kyriazis, and his

Soviet colleague, Mr. Abrasimov. The agreement contemplates, among other things, the establishment of a Soviet tourist office in Athens and a corresponding EOT office in Moscow.

A PRAVDA article, on the other hand, expresses complete Soviet satisfaction with the results of Greek-Soviet cooperation on the subject of repairs of Soviet ships in Greece.

The USSR already has orders for 120 million dollars for the first 3 months of 1983 while for all of last year, its imports from Greece amounted to only 160 million dollars.

Now there are talks about balancing long-term agreements for the importation of Greek textiles and threads by the USSR and Soviet coal by Greece.

The arrival in Moscow of the president of ETVA [Hellenic Industrial Development Bank] is awaited to push the matter of building an aluminum plant.

9731

CSO: 3521/369

BRIEFS

PRE-MEMBERSHIP EEC GRANT--The EEC bureau in Lisbon announced the day before yesterday that the EEC Council of Ministers has decided to increase Portugal's pre-membership aid by 75 million European Units of Account (approximately 7 million contos). This increase is in the form of loans underwritten by the European Investment Bank for the period starting on 1 July 1983 and ending on 30 June 1984. It will be finalized after the bank issues a report. A pre-membership assistance program went into effect in December 1980 with a 150 million ECU credit from the EIB (almost all used) and a 125 million donation from the community's budget. This program, which included structural projects, was aimed at financially supporting the structural reconversion of the Portuguese economy in order to have a smooth and less difficult accession. At that time, the possibility of Portugal entering the EEC on 1 January 1984 was still anticipated. The extension of the financial aid that was now announced appears to be the result of the delays in the negotiations. The Council of Ministers also decided to "re-examine within a practical period, before 30 June 1984, and in light of the progress made in the accession negotiations, the possibility of a new increase and extension of pre-membership aid." [Excerpt] [Lisbon O DIA in Portuguese 24 Jun 83 p 4] 9935

CSO: 3542/157

ECONOMIC EXPERTS DISAGREE WITH KAFAOGLU OPTIMISM

Istanbul MILLIYET in Turkish 22 Jun 83 p 4

[Text] Finance Minister Adnan Baser Kafaoglu, in a statement to our newspaper the other day, said, "There will definitely be no price hikes in basic commodities except oil."

Finance Minister's Three Basic Contentions

--Prices rose at a rate of 11.5 percent in the first 5 months of 1983 owing to price hikes in basic commodities. As there will be no further price hikes in basic commodities, we will hold the line on inflation which has been set at 20 percent this year.

--Claims that real interest on deposits is declining will be wrong if only we hold inflation to 20 percent. A person who deposits 1 million liras in the bank, if inflation is 20 percent, will get 120,000 liras' real interest, that is, interest free of the effects of inflation.

--Contrary to the claims being made, it was the "big banks," not we, who set the new interest rates. Decontrol of interest rates in 1980 did not unleash the brokerage problems, the failures of certain banks...events over which we had no control. In the wake of these incidents, interest rates in Turkey, as everywhere else in the world, are set by the "big banks."

Nuh Kusculu: One can only say "Amen" to Mr Kafaoglu's remark that basic commodity prices will not rise.

Professor Gulten Kazgan: As long as oil prices are rising, it is impossible not to have price hikes in the sectors that use it. I cannot agree with the minister's comments.

Professor Alkin: One understands from Kafaoglu's remarks that no price hike will be made in basic goods until the elections.

MILLIYET ECONOMIC SERVICE -- Finance Minister Adnan Baser Kafaoglu's announcement that "inflation will be held to 20 percent for the year and this will be possible by not making price hikes in basic commodities except oil" brought reactions from economic circles.

ICC [Istanbul Chamber of Commerce] Chairman Nuh Kusculu said, "One can only say 'Amen' to this," while other economists contend that "in a climate in which the value of the Turkish lira is constantly eroding and oil price hikes are in the offing, it is difficult to hold the line on prices."

Nuh Kusculu (ICC Chairman): "If inflation can be reduced to an annual rate of 20 percent, the saver will clearly have an interest income higher than inflation. However, one can only say 'Amen' to the distinguished minister's remark that basic commodity prices will not rise. It means that either the daily exchange-rate adjustments are not going to be made, or the exchange-rate differences are not going to reflect on prices, or somebody has found a magic wand to make things that could not be done before work from now on. If what he is saying is that the SEE's [State Economic Enterprises] which produce basic commodities are going to raise their productivity and reduce their costs, this is certainly gratifying. But if the SEE's accumulate deficits which cannot be covered from the budget, it is not going to help anything.

"I do not share the distinguished minister's views that businessmen's credit costs are down. I should think the minister would know from the complaints forwarded to him that the interest rates being applied today are much higher than what he says. The most important proof of this is the existence of a climate in a disorganized market in which monthly interest has reached 10 percent."

Uzeyir Garih (Executive Officer of Alarko Holding): "Keeping fixed prices on basic commodities is artificial, amounting to subsidy. With a little coercion, however, price increases may be limited. The price of something consists of raw material, labor and profit. Raw materials may be either imported or obtained locally. The SEE's produce local raw materials in most cases. If raw materials, the primary factor in price, are imported, it is necessary that the value of the lira not decline too much; if they are obtained locally, it is then necessary that the SEE's improve their productivity.

"If inflation is held to 20 percent and higher interest is paid, people will turn to savings. It is necessary for the state to play a regulatory role to keep the inflation rate parallel with interest. Kafaoglu's model is not, therefore, wrong, but must be finely tuned and requires an interest adjustment every two or three months."

Professor Kazgan: "As long as the value of the Turkish lira is lagging against the dollar and oil prices are rising, how can it be possible to avoid a price hike in the sectors that use petroleum as an input? As the subsidies have been eliminated, I cannot quite agree with the finance minister that there will be no price hikes in basic goods, except perhaps oil.

"Also, I do not think the inflation rate will stay at 20 percent. As the indexes in Turkey are not very sensitive, it is quite impossible to know just what is what. I think inflation is going to reach at least 25 percent by the end of the year. Of course, this will also put real interest in the hands of the citizens. Actually, I do not think the 5-point reduction in interest is going to make savers withdraw their money from the banks. Moreover, it would be wrong to

think that dropping credit interest by 2 or 3 points is going to increase investments, because the Turkish economy is not as sensitive an economy as the U.S. economy; elasticity is low."

Professor Alkin: "One understands from Kafaoglu's remarks that no price hike will be made in basic goods until the elections. As long as the value of the Turkish lira against the dollar is low, oil price hikes will raise the cost of goods which use oil as an input. Even if the SEE's keep their prices at a given level, they will make hikes in cases where private-sector demand permits. Also, it is not wrong to set interest rates according to the estimated 20-percent inflation rate. In my opinion, interest rates ought to be set according to inflation when it has stabilized."

8349

CSO: 3554/350

BARLAS APPEAL FOR SOLID ECONOMIC PLANNING

Istanbul MILLIYET in Turkish 22 Jun 83 p 1

[Editorial by Mehmet Barlas: "Economy and Politics"]

[Text] One fact to which all data clearly point, we have to admit, is that for the years ahead it is economic management, not politics, that will be expected of political parties in Turkey.

The field of action left to the parties in the political arena is very limited. Our constitution and the country's unique circumstances leave no room for radical departures...beyond, perhaps, a little elbow room in some given line in domestic policy or foreign relations.

But in the economy and, therefore, in economic policy, the field is clear.

"24 January," as we call the "stabilization program," has in reality come to an end. The Turkish economy, at present, has no fundamental premises or medium- and long-term projections.

Free market principles have not held in money-credit policy.

The State Economic Enterprises, long a source of complaint, no longer figure on the agenda, not just because they have raised their prices, but because they do not make investments and thus have no financing requirements.

In exportation, debate is heard on the virtues of the Middle Eastern market, the need for which we fail to understand at all. While, in this connection, the world economies are emerging from the recessionary process, we are hearing people talk -- as usual for us -- 3 to 5 years too late about the need for "foreign trade by agreement" and the necessity of raising the number of countries with which we have agreements.

In short, "24 January" has ended, but no new program has been substituted for it. Arguments about the inflation figures which are derived from an average of various indicators are on the verge of replacing a general overview of the economy. Exuberant offensives such as exports, foreign contracting, attracting foreign capital and raising the volume of savings have stagnated.

From this standpoint, both the existing political parties and anyone wishing to form a new party being cognizant of the vacuum on the right or on the left are forced to rely on their economic capabilities rather than their political hobby-horses.

Political success in Turkey will not come through winning votes alone, or taking symbolic stances. Is there not a great deal of miscalculation in almost all political enthusiasms that end in frustration?

The task of politicians now is to bring common, intelligent approaches to the economy, not to deal with the "vacuum on the right" or "unity on the left." If anyone has a different opinion, let us see it in solid economic terms.

8349

CSO: 3554/349

KAFAOGLU SUBMITS LETTER OF INTENT TO IMF

Istanbul CUMHURİYET in Turkish 22 Jun 83 pp 1, 11

[Text] Ankara (CUMHURİYET Bureau) -- The new letter of intent sent to the International Monetary Fund (IMF) by Finance Minister Adnan Baser Kafaoglu will be taken up by the IMF Board of Directors next Friday (afternoon). Turkey's new letter anticipates a 1-year extension of the IMF agreement.

While basic economic principles are set forth in the letter of intent, it is also explained that these principles will be retained, but if there is to be any political change in these basic rules, it will be determined by the government that will take office after the 6 November elections. The letter also anticipates a maximum wage increase of 20 percent-22 percent in 1983 and projects a 17 percent rise in prices and a 5.3-percent economic growth rate in 1984.

The letter of intent sent to the IMF reads:

"Mr De Larosier:

"The 3-year stand-by arrangement made by the IMF for Turkey in June 1980 is expiring. Resources placed at Turkey's disposal within the framework of this arrangement have afforded us significant opportunities in implementation of the stabilization and structural adjustment program initiated in 1980. From a balance of payments in 1980 exhibiting a current deficit in the amount of \$3.7 billion, equal to 6.3 percent of gross national product (GNP), Turkey had arrived at a balance of payments deficit of \$1.2 billion, the equivalent of only 2.2 percent of GNP, by the end of 1982. Also, the rate of price increases proceeding in excess of 100 percent in 1980 was reduced to 20-some percent by the end of 1982. In conjunction with these two important developments was a 4-percent increase in 1981-1982 in economic growth which had shown a real decline in 1980. Though, in any case, there is much yet to do, developments viewed as complementary to those listed above are the undertaking of reforms in areas such as public expenditures, improving the financial status and raising the effectiveness of the State Economic Enterprises [SEE] and banking. All of this takes on even greater importance in view of the world economic crisis, factors negatively affecting Turkey's trade limits and shrinkage on the international capital markets.

"Though we look confidently to the future, we believe as a government in the need for steady development strong enough to be self-sustaining. It cannot be said that a strong recovery is occurring in the world economy. Turkey must gradually abandon its dependence on relatively concessionary capital flows and make the transition to routine borrowing markets. Moreover, the need is felt for structural reforms, including an effort to bring the outward orientation of the economy to a more competitive state. Under these circumstances, Turkey desires continuation of its close relationship with the IMF and requests the signing of a new 1-year agreement, commencing from the expiration of the 3-year stand-by, in the amount of 225 million special drawing rights (approximately \$260 million). Even if this sum is used en toto, it is in fact quite modest if net utilization of IMF funds in the course of the next 12 months were to be compared with our utilization throughout the 3-year agreement. The new economic program which this new arrangement will support is set forth below.

"Developments in 1982 and estimates for 1983 were described in detail in the letter of 3 January 1983. No significant changes have occurred since then in the estimates related to 1982 results. In short, real product rose 4.4 percent and prices rose 27 percent over 1981 when figured in conjunction with the GNP deflator. The balance of payments current account deficit dropped from \$2.3 billion in 1981 to \$1.2 billion in 1982. The reduction in the current account deficit in ratio to GNP dropped from 4 percent to 2.2 percent. This situation was supported by a steady rise in exports, exportation having risen 34 percent in volume and 22 percent in value. Imports, on the other hand, declined around 2 percent in value. Official international reserves stood at the level of \$1.1 billion at the end of 1982. This amount, equivalent to the foreign exchange required for approximately 6.5 weeks of commercial imports, equates to a \$300-million reduction as compared to the previous year.

"There has been no change in the estimate of 4.8-percent growth in GNP in 1983. Prices are expected to rise 20 percent. Wage increases will be held at between 20 percent and 22 percent to support the projected price increase target. It now appears possible to reduce the current deficit in the balance of payments further than the figures in my January letter to you. The new target is a current account deficit of \$650 million, or 1.4 percent of GNP. This estimate is based on an estimated increase of 10.5 percent in export volume and 7 percent in import volume. Declining oil prices, despite a negative impact on Turkish export markets, will have a positive impact on the balance of payments owing to other factors considered above. Our economic policies will be formulated so as to retain export growth at an adequate level.

"Our government believes that with a mixed bag of demand restriction and structural change policies, even further development should be registered in 1984 in further reducing the current accounts deficit in the balance of payments, bringing down the inflation rate, continued wage restriction and public financing. It is impossible to set definite goals at this stage owing to all the political variables as this situation must be reviewed by the new government that will be elected in November 1983. Nevertheless, it would be natural for the basic practice pursued throughout the 3-year agreement and to be employed through 1983 to be continued in 1984 as well. Our present estimates call for a 5.3-percent increase in real product in 1984. Price increases for the same period are estimated at 17 percent. With the foreign debt repayment load figured in, the balance of payments current deficit is expected to decline \$300 million in the future.

"Appropriate fiscal policies have formed a significant portion of the stabilization program. Budget expenditures, expressed as a percentage of GNP, dropped from 22.6 percent in 1981 to 21.5 percent in 1982. This rate will drop to 20.8 percent in 1983. The budget had a liquid deficit of 1.6 percent of GNP in 1982. This is being reduced to 0.8 percent in 1983. Public revenues did not reach the expected level of product in 1982, but this situation was rectified by spending cuts. A series of measures have been taken to increase the collection of public revenues in 1983. Obviously, it is impossible for all of them to be effective during this year, but every effort will be made. Whatever the outcome, any decline in public revenues will be matched by a reduction in spending. Taken as a whole, the financing requirement of the public sector was kept at 5.5 percent of GNP in 1982. A reduction to 4.4 percent is projected in 1983. As for 1984, the government intends to balance the budget and is planning a public-sector financing requirement in this period that would be no higher than 3.5 percent of GNP.

Status of the SEE's

"The significant factor in the desired draw-down in the budget is the self-sufficient and steady improvement registered in SEE financing. SEE profits in 1982 were 0.5 percent of GNP. The target for 1983 is 0.6 percent. Excessive investments have been discontinued and the total investment, which was 9.4 percent of GNP in 1981, was reduced to 7.3 percent in 1982. This figure is expected to be 6.9 percent in 1983. The real decline in SEE investments is not higher than last year. The investment target was set in terms of nominal value, and no further investment increase of any kind will be permitted. Moreover, there will be no question of covering non-public sector debts by further borrowing from the budget or Central Bank funds. Transfers from the budget to the SEE's in 1983 have been limited to 292 billion liras. As an adjunct to this improvement in the status of the SEE's, measures are being taken to raise the efficiency of their operations and management in 1984. A decree has been issued on SEE reform. The decree introduces a set of innovations which make a basic distinction between the SEE's, which will operate in accordance with commercial principles and are wholly state-owned, and public service corporations, which produce basic goods and services or monopoly goods and perform public-oriented services. The new decree calls for absolute compliance with annual investment programs and incorporates as a general principle management's freedom to set prices. Other provisions of the decree aim at strengthening the capital status of these establishments. Also, personnel employed by these corporations will come under a separate regime from the personnel regime to which all civil servants are subject. Turkey has requested technical assistance from the World Bank in this area.

"A key factor in the positive results achieved in the stabilization program and especially in the reduction of the inflation rate has been the tight money policy. Consonant with the targets for 20-percent inflation and 4.8-percent real economic growth in 1983, certain limits have been placed on the Central Bank's net domestic assets through December 1983. These limits include the amount of credit to be made available to the public sector by the Central Bank. The limits are shown in the attached table [not published]. In setting monetary limits, a reduction was assumed in the Central Bank's net foreign obligations of around \$225 million-\$250 million between December 1982 and December 1983. Our understanding is that, if net foreign obligations deviate significantly from the above figures, the government will consult the IMF. Another basic point of the program is that there

should be no additional hold-up of any kind in payments of deposit supplemental reserves (DSR) for the rest of 1983. The 25-percent rate set for DSR and now in effect will not be changed. Should a deviation occur in this area, the government will again consult the IMF. Although numerical limits for credit for 1984 are not being set at present, the government does not believe the basic understanding in money policy will change in the future.

"The Consultative Assembly has passed legislation enabling reform of the banking system. The new law will provide for passage of additional decrees requiring capital augmentation by commercial banks, improving quality of management and better oversight of bank activities. Introduction of a deposit insurance system is under consideration on the basis of the same law. The government wishes to carry out various reforms with the utmost speed. As was pointed out in the letter of 3 January 1983, a special campaign was launched on 1 January 1983 to improve the interest rate system. Deposit interest rates have been reduced, but as this reduction applies to new deposits only, the lending costs of commercial banks have not yet carried over to credit interest. This carry-over is expected to show up in the latter half of this year."

Rate of Foreign Exchange, Foreign Borrowing

The remaining portions of the letter of intent to the IMF explain that the flexible rate of foreign exchange now in use will be retained, that caution will be exercised in foreign borrowing and that the World Bank will provide technical assistance as regards administrative monitoring of foreign borrowing.

A subsequent paragraph of the letter of intent contains thoughts on import security deposits and anticipates a 50-percent reduction in import security deposit rates by the end of the year. It further states that goods will continue to be transferred from Liberation List No 1 to List No 2.

Finance Minister Kafaoglu's letter of intent sent on 18 May 1983 concludes as follows:

"The Turkish government believes it will achieve the economic goals by means of the policies described above. It is also determined to take every measure in the pursuit of these goals. Turkish authorities will be in continuous close contact with the IMF in developments having to do with various structural reforms. Turkey will consult the IMF in early 1984 as regards both developments related to this program and the program related to 1984. The IMF's views will be obtained on the measures deemed appropriate in the course of economic oversight."

8349

CSO: 3554/350

DUNYA COMMENTS ON KAFAOGLU LETTER TO IMF

Istanbul DUNYA in Turkish 22 Jun 83 p 1

[Editorial: "Intent"]

[Text] Finance Minister Adnan Baser Kafaoglu has once again informed the International Monetary Fund of the government's intentions as regards the economic policy it will pursue for renewal of the "stand-by" agreement. What he says here is much more informative than the statements published almost every day in the press and goes beyond informing the public to deal with the painful fact of circumstances and the burdens taken on.

Minister Kafaoglu says "tremendous advances have been realized" in implementation of the January 1980 stabilization program and adds: "Though the future may be looked to with discernible hope, the government recognizes the need for vigorous effort for continued success."

According to Kafaoglu, it has not been possible to attain recovery in the world economy in the full sense. Turkey must move forward from its dependence on the flow of concessionary foreign resources to the normal lending market. It is also necessary that structural reforms be carried out such as further opening of the economy to foreign competition.

Kafaoglu stresses that in this climate Turkey desires continued close relations with the International Monetary Fund and for this reason requests a 1-year extension of the expiring 3-year "stand-by" agreement.

The request for renewal is not for credit purposes only. Indeed, there is a tendency not to use the credit available. Kafaoglu stresses that even if the credit were to be used in full, future utilization of IMF funds would be at a much lower level than in the past.

Thus the arrangement with the Monetary Fund takes on the quality of a document offering assurance to international financing circles of the continuity of the existing economic policy and of support behind it. In fact, the finance minister asserts the need for implementation of the stabilization program to extend beyond the latter half of 1983 into 1984 as well. He invokes here reduction of the balance of payments' current accounts deficit, slowing down inflation and lending strength to public financing. He speaks further of wage restrictions, contrary to the inward-oriented hopes for "loosening the belt."

Minister Kafaoglu says that definite goals cannot be set for the present in view of all the political variables, that they will need to be discussed with the new government that will be elected in November 1983. "But," he says, and adds, "The basic philosophy of the stand-by agreement will not change for the rest of 1983 or in 1984 either."

The 1983 economic goals are thus made the rampart upon which the 1984 goals are mounted:

The growth rate will be 5.3 percent.

Inflation will be reduced to 17 percent.

Bearing in mind the debt load, the deficit in the current accounts balance must come down to \$300 million.

Public sector financing requirements for 1984 must be reduced to 3.5 percent of national income.

One must not forget that any deviation from these policies brings with it a full stop in Turkey's foreign economic relations which may be released only upon IMF approval.

8349

CSO: 3554/349

KEY PROVISIONS OF NEW BANKING LAW CITED

Istanbul TERCUMAN in Turkish 9 Jun 83 p 5

[Text] The draft regulation which calls for a change in the Bank Law is in final form. It is expected that the bill will be sent to the Council of Ministers at the beginning of the week; it has been announced that the bill will be reviewed for the last time in today's meeting of the Economic Council. This bill contains provisions that generally increase the responsibilities of administrators.

The 70th article of the 82-article bill--which expands the government's auditing power and calls for bank administrators to be held personally accountable for operations--entitled "Accountability of Administrators" is:

Accountability of Administrators

"Those who pave the way to a bank's bankruptcy or cause it to become insolvent--the board of directors, the credit committee chairman and members, the manager and his assistants, persons having the highest signature authority in bank affairs, and partners with a direct or indirect say in the bank's administration--are personally accountable to depositors and to the deposits insurance fund for that portion of deposits which cannot be covered by bank assets.

Criteria for determining accountability are the failure to establish in a timely manner added deposit reserves, two-thirds of a bank capital remaining uncovered, the freezing of assets, and the outright failure to take corrective measures despite such indicators signaling a bank's weakened cash structure.

Auditing Power

Should it be determined that a bank's cash status has been irreparably damaged, the Ministry of Finance and the Council of Ministers have the following powers pursuant to Article 60 on government-initiated measures:

"The Ministry of Finance is authorized to postpone the legal reserve obligations of an insolvent bank, on condition that penalty interest be included; [to arrange for] purchase by the deposits security fund of fixed assets such as the bank's

stock and real estate; [to arrange for] consolidation of debts and collectibles (their reconciliation with one another) vis-a-vis the treasury, the Central Bank, the deposits security fund, and other public agencies; or their being added to the bank capital as treasury bonds; or having the administration of the bank turned over to a consortium composed of banks.

In case there is no improvement in the financial structure despite these measures having been taken, the Council of Ministers is authorized, at the request of the Ministry of Finance, to decide on the transfer of all the bank's assets and liabilities to an existing or future bank, the transfer of deposits to another bank or their clearance under the supervision of a bank. In addition, the Council of Ministers is authorized to issue instructions to the insurance fund in order to secure financial support for the bank in question, and the Ministry of Finance is also authorized to issue instructions to the banks for technical assistance."

Bank Capital, Credit

Other articles of the bill, which sets the banks' minimum capital of 1 billion [Turkish] liras, are grounded on the provision that:

"The sum total of all the credit that banks can disperse plus such non-cash credit as letters of assurance, endorsements, guarantees and acceptances may not exceed 20 times the bank's cumulative assets; the amount of credit that a bank may extend to a single private or legal person cannot exceed 10 times the level of cumulative assets."

In defining the persons concerned the bill states that:

"The persons concerned are enterprises that are ultimately directed and controlled centrally--owing to direct or indirect partnership relations between them or a close and abiding bond of economic interest, regardless of whether they openly belong to a holding company--and the bonafide, legal persons who directly or indirectly control the capital of or who run these enterprises."

According to the bill, banks will only be able to extend credit to the persons concerned up to the amount of the bank's cumulative assets; the maximum credit that a bank may extend to all persons concerned put together can be up to 30 percent of the total bank credit. According to the bill, which also includes in its regulations that all shares of those bank members possessing partner status be registered, the Council of Ministers will make a decision--based on reciprocity--regarding foreign banks opening branches in Turkey. According to the bill, which also calls for formation of a deposits insurance fund, deposits will be insured up to 3 million [Turkish] liras.

Temporary Articles

In the temporary articles of the draft regulation in the law, which in its new form consists of a total of 82 articles, existing banks called on to meet the responsibilities [spelled out] in the law within 2 years at most.

Noting that the bill was not expected to be discussed at length in the Council of Ministers because it had already been gone over in detail in the Economic Council, authorities are saying that "the decree may go into effect at the end of June."

SCHLUTER DISCUSSES PROGRAM AS PROSPECTS FOR ELECTION AIRED

Glistrup Party May Be Key

Copenhagen BERLINGSKE TIDENDE in Danish 16 Jul 83 p 5

[Article by Dan Axel]

[Text] The extraordinary late summer session of Folketing on 9 September will give the first indication as to how the Progressive Party will behave as a government support party after the demise of Glistrup. The votes of Leif Glensgaard and Mogens Voigt will be decisive when the government's proposal to cut block subsidies comes up for discussion again.

"Naturally I cannot guarantee all the votes in the Progressive group," chairman Uffe Thorndahl told BERLINGSKE TIDENDE. "But the party's position in the past has been to vote for the greatest possible savings, so I expect that everyone in the group will continue to do so."

The North Atlantic member of Folketing, Greenlander Preben Lange, who is affiliated with the SF [Socialist People's Party] group, could also be the bump in the road that overturns the whole load. He has decided to vote against the government's block subsidy proposal because Greenland would also be affected by the cuts. In the past, the Atlantic members have traditionally abstained from voting when purely Danish matters were involved.

The Social Democrats, SF and VS [Left-Socialist Party] have said in advance that they reject the cuts in the block subsidies of 1.35 billion kroner. "But do you think the Social Democrats would overthrow the government on this proposal?" Prime Minister Poul Schluter said to BERLINGSKE TIDENDE. "After all, they have nothing to offer in its place if an election is called--or even if the government just resigns."

Opposition leader Anker Jorgensen (Social Democrat) said that with the extra session of Folketing--called for the purpose of dealing with the block subsidies--the government has revealed itself. "When the government wants a discussion of the block subsidies only, this has to be taken as indicating that the government has grave doubts as to whether or not it has a majority

behind its policies. And this is further evidence of the government's speculations with regard to the Progressive Party," said Anker Jorgensen.

The chairman of the FRP [Progressive Party] group, Uffe Thorndahl, is quite satisfied that his party has been called in for talks. "It is the first time in the party's 10-year history that we are having a chance from the very start to have some input on the opening speech and overall economic policy," said Uffe Thorndahl. "This gives the party far more influence in the long run."

Liberal group chairman Ivar Hansen is also pleased that the government has demonstrated so much willingness to cooperate and negotiate with the parties in Folketing. He expressed satisfaction that this put all the election prophecies to shame, so that no harm had been done to the business sector's opportunities to make commitments.

Radical Liberal leader Niels Helveg Petersen is also satisfied that the block subsidy problems will now be resolved. But he stressed that this must be done on the basis of the bill presented by the government, which the Radicals have already approved.

But Christian People's Party leader Arne Bjerregaard is not pleased that the government is not taking up the problems of the farmers when Folketing is being called to a special session anyway. "Folketing should be in session for the whole first week in September, so we could deal with the outstanding problems once and for all," Arne Bjerregaard said.

Prime Minister Poul Schluter would not rule out the possibility that several proposals would be on the agenda on Friday, 9 September.

"But that depends on whether there is a majority in advance for the things we include," said Poul Schluter, who stressed that both the outstanding farm and housing laws would not go into effect until 1 January 1984.

On the other hand, the block subsidy cuts must be ready so that towns and counties can approve their budgets--by 30 September at the latest--on the basis of legislation.

Restoration of Danish Economy to Continue

Yesterday Prime Minister Poul Schluter broke a long silence on the government's plans for political negotiations in the late summer and fall. The entire press corps met in the office of the prime minister who--at precisely 1:00--opened the meeting with these words:

"The government intends to continue the restoration of the Danish economy that was begun last year in the upcoming session of Folketing. Of course we will not give up when we are only half way there. We will finish the work that is needed.

"This work also includes solving the hardest job: arriving at the point where employment rises once again because health has been restored to the national economy and to the private business economy.

"Thus it is not part of my plan to call a Folketing election this fall. On the contrary. The government wants an election held as late as possible. Only 1 1/2 years have elapsed since the last election.

"While maintaining the basic features in the government's policy, we are prepared to extend ourselves quite a way in order to establish a majority in Folketing. Just as we did last year.

"Nor are there any indications that a different government could be formed either in the current parliament or in the upcoming one that would have as stable and good working possibilities as the four-leaf-clover government has. At the moment there is no realistic government alternative--with or without an election.

"Therefore the government feels it has a right and an obligation to prepare and organize the legislation that is needed in an entire unbroken parliamentary year that will begin on Tuesday, 4 October.

"However there is one matter the government wants to get straightened out before that, for the sake of order.

"That is the reduction in block subsidies. All the towns and counties are now working on their 1984 budgets. The budgets must be approved after the third discussion on 30 September.

"The government has announced that the already implemented reduction, with a savings of 3 billion kroner, will continue and that a further reduction of 1.35 billion kroner is desired. The towns and counties are working on this budget basis during the summer, which I appreciate.

"Bill 217 on the reduction in block subsidies was presented by the government on 1 June. It had its initial discussion but was not approved by Folketing.

"Under current rules, the Ministry of Internal Affairs must give the towns and counties their final notice of the announced reduction of the state subsidies by 15 September at the latest. This must be done with the approval of the Finance Committee.

"There is a chance that we can get this support and send the announcement. With a guaranteed majority of votes behind it, the legislation itself could then be presented again and approved in the new Folketing session.

"The government does not feel that is good enough. We will not be content with an expectation that the law will be passed. We want the towns and

counties to get complete, clear and legal notice--as we have promised them--before they give final approval to their budgets, which cover about half of overall public consumption.

"That would be the best arrangement.

"That is why the government wants the law implemented in the current Folketing year and it is standing firm on this desire.

"Even though there are still a few months to go, I have sent a letter today to Folketing's chairman, for the sake of clarity, requesting that Folketing be summoned for a meeting on Friday, 9 September, for the purpose of holding the second and third discussions of Bill 217.

"The report has already been prepared and a possible supplementary report could be finished in good time before that.

"On 17 August, the 1984 budget proposal will be released. On the same day, the finance minister will issue a statement at a press conference on the overall economic policy we want pursued when Folketing meets in October. Today I will merely unveil the major outlines of the budget proposal.

"It will be necessary to continue the stringent policy from last year.

"Savings cuts for close to 10 billion kroner are proposed. No reserves will be set aside by law for new extra expenditures. Therefore any new legislation calling for more spending will require compensatory savings cuts.

"Real growth from 1983 to 1984 will amount to -3 percent. The growth in the number of fulltime state employees will eventually be halted in 1984.

"The government anticipates that the decline in the deficit in state finances for 1983 will be very sharp in relation to the budget. Even so, the government is determined that the deficit should be even lower in 1984 and the budget proposal will make this apparent.

"This policy is especially motivated by the government's desire for low interest rates on both long-term and short-term loans. The government will work deliberately for an interest decline that will benefit investments and employment.

"In the period between 17 August and 4 October, the government will hold orientation talks with a number of parties, so that we can prepare as well as possible for the activities in the fall. Work in a number of Folkdting committees can also commence after the budget proposal has been released."

Glistrup Supporters: Widen Coalition

Copenhagen BERLINGSKE TIDENDE in Danish 19 Jul 83 p 7

[Article by Dan Axel]

[Text] One of the Progressive Party's "hard liners," Mogens Voigt, is not sure it would be a good idea to overthrow the government on the basis of the block grant cuts when Folketing assembles on 9 September. In this way, party founder and campaign leader Mogens Glistrup might completely lose his influence over FRP's Folketing group, in Voigt's opinion.

Both Mogens Voigt and Leif Glensgaard have pledged their votes to Mogens Glistrup, who intends to lead the party from his jail cell. "And there should be no doubt that on 9 September we will vote the way Glistrup says we should," Mogens Voigt told AALBORGS STIFTSTIDENDE. "But Glistrup should consider whether he wants a Folketing election called on his account. Neither Glensgaard nor I would be members after an election, after all."

Mogens Voigt felt that Glistrup had failed them because he did not take into account in his plans for the party's future the possibility that he would be sentenced by the Superior Court. "Therefore Glistrup failed to name his political successor, which is why the Progressive Party is now being run by such 'bleating sheep' as Uffe Thorndahl and V. A. Jakobsen, who are only interested in having Poul Schluter blow the sacred breath into their ears," said Mogens Voigt.

Old Idea in a New Package

"I am inclined to think that Glistrup really does not care about a Glensgaard or a Mogens Voigt and then 'Junta Jakobsen' will probably succeed in maneuvering in such a way that after a while people will be unable to distinguish the Progressive Party from the Conservative Party," Mogens Voigt said.

"Junta Jakobsen," as Mogens Voigt refers to the national organizational chairman of the Progressive Party, Major V. A. Jakobsen, is now intervening in the debate on how his party can gain political influence over the government's policies.

He has dusted off an old FRP idea, namely that the government should be expanded with representatives from both the Radical Liberal and the Progressive parties. "In order to offset the Social Democratic speculation in political unrest, Prime Minister Poul Schluter ought to take a look at his Norwegian colleagues and reshape his government into a majority government--in line with the resolution of 2 June. A majority government--pursuing the policy that is necessary--would provide political peace, economic stability and thus social progress," said V. A. Jakobsen.

The idea is not new and it is regarded at Christiansborg as a "dead duck in the summer heat." Both the prime minister and the leader of the Radical

Liberals, Niels Helveg Petersen, have rejected the idea of a six-party government spanning from the Radicals to the Progressives.

"As national chairman, I do not make actual political statements," said V. A. Jakobsen. "But from a purely logical point of view, when FRP and the Radicals have to support the necessary policies, a government coalition would be the most effective thing."

Jakobsen pointed out that the same majority voted in Folketing on 2 June in favor of the government "establishing the closest possible cooperation with all the parties who will go along with the necessary policies." And no closer cooperation than expanding the government is conceivable, according to V. A. Jakobsen.

SDP Mayors Laud Schluter

Copenhagen BERLINGSKE TIDENDE in Danish 20 Jul 83 p 1

[Article by Kenneth Bo Jorgensen]

[Text] The country's Social Democratic mayors do not want an election now. They would rather swallow the cuts in block grants that their party colleagues in Folketing want to vote against, in return for being able to plan 1984 budgets in peace.

That was the overwhelmingly dominant view yesterday when BERLINGSKE TIDENDE spoke with a cross section of Social Democratic mayors all around Denmark. They are dissatisfied with the cuts in general but they foresaw pure chaos in the upcoming budget planning activity if the issue leads to a new election.

And most of them also believe that an election would not change anything.

"An election would be extremely unfortunate. If the prime minister calls an election in the context of the parliamentary vote on 9 September, there would be an election in October.

"By law we must have the 1984 budget ready by 1 October. We simply would not know what to adjust the budget to. We would have no idea where to start," said Mayor Egon Weidekamp.

Kjeld Rasmussen, Brondby: "An election would just produce more uncertainty in the municipalities. It would postpone the problems for 3 or 4 months and the government would probably still be headed by Schluter. Something must be done now, whether we like it or not."

Borge Lundgaard, Vordingborg: "Things are confused enough as it is. An election would make it all worse. And there is nothing to indicate that an

election would change anything anyway. All we want is to get straight answers. It will be intolerable if we have to plan our budgets in the dark."

Alex Jentsch (acting mayor), Kolding: "An election would not be in our interest. We would much rather have a clear decision on the block grants as soon as possible."

Ingemann Andersen, Hundested: "We are not happy about the cuts in the block subsidies. But everybody must know by now that cuts must be made. An election would simply postpone the problems."

Per Moller, Rodovre: "There is no reason for an election. The important thing is that we get information so that we can plan our budgets in a sensible way and on time."

Hans Roth, Tornved: "We have no interest in an election. Whether there is a change in government or not, there will be a reduction in block grants. And within the framework discussed so far, we can probably live with that."

Ove Thelin, Helsingor: "An election would serve no useful purpose. It would not produce any changes in Folketing anyway."

Torkild Feldvoss, Tornby: "An election would not be practical now. It would not change the situation much anyway."

Ib Frederiksen, mayor of Aarhus County and former minister of agriculture: "I have no use for an election on the basis of the reduction in block grants. They should be able to negotiate that in Folketing."

Harry Christensen, Sonderborg, was the only mayor BERLINGSKE TIDENDE questioned who expressed a desire for an election.

Greenlander MP Approaches Government

Copenhagen BERLINGSKE TIDENDE in Danish 20 Jul 83 p 1

[Article by Helle Ravn Larsen]

[Text] The Social Democrats can no longer take the vote of the Folketing member from Greenland, Otto Steenholdt, for granted. He feels that they have gone behind his back and treated him really badly. Therefore, Steenholdt's change of course could determine whether the government survives the vote on block grant cuts on 9 September.

"I want a good explanation of why the Social Democrats have given 50,000 kroner to my political opponents, the Siumut Party [socialist, radical home-rule party]. The Social Democrats simply cannot treat me and my party that way," said Otto Steenholdt, who is currently in Egedesminde.

He doubts that there is a basis for further cooperation with the Social Democrats, but first he will discuss the "painful matter" with the executive committee of his party. Not until then will he decide how he is going to vote and whether he will break the cooperation with the Social Democrats and join the Folketing group of another political party instead.

"The Social Democrats have behaved in a very strange way. Now we must talk and renew our agreement. Everything must be written down in black and white. I am angry because they do not seem to care about me," said Otto Steenholdt.

The other member from Greenland, Preben Lange, has announced that he will vote against the savings cuts and that is in direct conflict with his party chairman, the chairman of the Greenland government, Jonathan Motzfeldt.

"To threaten the government on this issue shows a total lack of solidarity. The Greenland government has accepted savings of 95 million kroner in the Greenland subsidy. It is no worse for us than it is for others," said Otto Steenholdt.

Government leader Jonathan Motzfeldt would not comment on Preben Lange's decision. He wanted to talk to Preben Lange himself first.

If Otto Steenholdt decides not to vote with the Social Democrats, his vote will "neutralize" Preben Lange's.

SDP Organ Sees Coalition Infighting

Copenhagen AKTUELT in Danish 8 Jul 83 pp 12-13

[Commentary by Harry Rasmussen]

[Text] We will get an election--at one time or another. Actually, Poul Schluter would like to remain in office for a long period of time. To demonstrate the government's stability.

On the other hand, it must be a big temptation for the prime minister--who has it in his power to call an election--to transform the big Conservative gains in the Gallup polls into seats in Folketing.

But that also raises some problems. Schluter has the credit for having resurrected the Conservative Party, which was embroiled in personal conflicts that were splitting the party into fragments.

He patched up the remnants and created some order and a belief that his election slogan, "Votes that work," had some meaning. And now he is prime minister, leader of the Conservative Party, which has become the leading nonsocialist party, with Gallup figures so enormous as to be head and shoulders above the rest. But he also suffers from a "Hartling syndrome"--

and the fear that he might win himself to death in an election--get lots and lots of votes, and lose his job as prime minister because the support parties have withered away.

And that would be worse than what he has now.

Forced Election?

So a careful evaluation indicates that Schluter is not interested in calling an election now, but he may be forced to do so. His government could fall on housing policy, block subsidies or the farm bill. He could be overthrown because the opposition has to take every available chance it has to get a change in government.

In reality he has been deposed, but the formalities have to be observed in Folketing.

Schluter would probably like to include security policy in an election, but that is not election material--unless the Social Democrats do something foolish or make so many reckless attacks on the government that there seems to be no real or clear opposition policy.

Something may have happened with the Progressive Party, but otherwise, relations between the Progressive Party and the Radical Liberals are one of Schluter's problems. There is a long distance between the two parties--which must support Schluter if his government is to stay in office.

Uncertainty

For the time being no one knows what the government intends to do and so far it has been the government's strength that it does not give itself away prematurely. On the other hand, the people cannot go on being fobbed off with these perpetual postponements. Schluter must start negotiating.

He should have started long ago. But what is the poor man supposed to do?

So he took a trip to the Faeroe Islands.

While uncertainty--and dissatisfaction--mounted among the government associates.

The Liberals are quietly piling up a larger and larger Gallup decline and if things keep going that way--and there are many indications that this will be the case--Christophersen can expect party demands for a new leader and a new party profile.

Irritation at the Conservative success is plain enough. Liberal labor policy spokesman Hans Jorgen Holm got really mad at the Conservative Labor Minister, Grethe Fenger Moller, who without informing the other nonsocialist

Folketing groups has "saved" 50 million kroner on the EIFU [expansion unknown] rates.

"The Liberal Party does not necessarily support the views of the labor minister, especially when she does not take the trouble to orient me on them," said Hans Jorgen Holm. He was backed up by the party newspaper, VESTKYSTEN, which said that the government has had its breaking-in period and should have learned how to communicate by now. "And the only thing to do is to accept the responsibility of telling the government frankly what is wrong," VESTKYSTEN wrote.

Grading a Minister

The same paper found another reason earlier to criticize the environmental minister's debate outline on the national planning report.

Now Christian Christensen comes from VESTKYSTEN's local hunting grounds, so the attack was officially aimed at bureaucrats in the Ministry of Environmental Affairs. But Christian Christensen can both read the lines and understand what is behind them, for he is an educator, and he replied in VESTKYSTEN:

"It warms a minister's heart to be mentioned sympathetically by a newspaper belonging to another party, but the temperature dropped somewhat on closer scrutiny of the article. The picture drawn of me shows a lonely and well-meaning, but somewhat weak and naive person who has fallen into the clutches of a disloyal leftist-oriented bunch of bureaucrats."

Yes, Christian Christensen knows what is meant--and can also size up his fellow government party, the Liberal Party, when the infighting gets started.

"The fact is," he wrote, "that environmental awareness has not yet become deeply rooted in the Liberal Party, as it has in almost all the other parties. For the Liberals--or at least for their leaders--policy is to some extent identical with economic policy. That means that conservation of our landscape, our environment, our food, is regarded from an economic angle. One of the Liberal ministers has clearly expressed this kind of thinking to the outside world from time to time."

And the Liberals can fight for that, said Christensen, who added: "But this should be done in a regular way."

If not much has been heard about what the government wants, there may suddenly be quite a commotion and a big discussion about what the various government parties do not want.

Now is the time to be demonstrative. Before Schluter, Grethe Fenger Moller and Ninn-Hansen suck up all the Gallup figures.

Conservatives Gain in Poll

Copenhagen BERLINGSKE TIDENDE in Danish 3 Jul 83 pp 1, 5

[Article by Solveig Rodsgaard]

[Excerpts] Prime Minister Poul Schluter and the Conservative Party now have record voter support and with 51 seats they are approaching the Social Democrats in terms of sheer size. That is the highest number of seats in the party's history and a doubling of the seats it won in the last election in December 1981.

The record number of seats was taken from the Gallup political index, but the poll also shows that the Conservative voter victory has occurred at the expense of the other government parties. The Liberal Party has dropped four seats since the election and the Center-Democrats 10, while the Christian People's Party once again just cleared the minimum requirement for representation, compared to earlier surveys.

Therefore the nonsocialist majority--including the Radical Liberals and the Progressives--remains unchanged at 91 seats, due to the decline of the two parties, while the socialist bloc gained one seat and now has 87.

The survey was conducted during the 2 weeks following the concluding debate in Folketing, when the possibility of an election was in the air until the prime minister postponed a decision on the heavy issues of block grants, housing policy and farm supports. On the other hand, Mogens Glistrup's Superior Court sentence could not have affected the voters.

BERLINGSKE TIDENDE has calculated the distribution of seats in Folketing on the basis of the Gallup poll. The two seats provided under the constitution for Greenland and the Faeroe Islands have not been included.

<u>Party</u>	<u>Current</u>	<u>Gallup</u>
Social Democrats	59	61
Radical Liberals	9	5
Conservatives	26	51
Socialist People's Party	21	20
Center-Democrats	15	5
Christian People's Party	4	4
Liberals	20	16
Left-Socialists	5	4
Progressives	15	9
Unaffiliated	1	0

Political Index

Question: "Which party would you vote for if we had a Folketing election tomorrow?" Survey conducted between 11 June and 22 June 1983.

<u>Party</u>	<u>8 Dec 81</u>	<u>Feb 83</u>	<u>May 83</u>	<u>June 83</u>
Social Democrats	32.9	32.7	32.8	33.7
Radical Liberals	5.1	4.0	3.9	3.1
Conservatives	14.5	24.8	23.6	28.1
Single-Tax Party	1.4	--	--	--
Socialist People's Party	11.3	11.0	10.5	11.1
Inter. Socialist				
Workers' Party	0.1	--	--	--
Communists	1.1	--	--	--
Center-Democrats	8.3	4.5	5.4	2.9
Christian People's Party	2.3	2.3	--	2.1
Communist Workers' Party	0.1	--	--	--
Liberals	11.3	9.8	9.7	9.0
Left-Socialists	2.7	--	2.2	2.0
Progressives	8.9	5.7	7.7	5.1
Other parties*	--	5.2	4.2	2.9
Total	100.0	100.0	100.0	100.0

*Parties with less than 2 percent of the votes

Source: Gallup Institute and BERLINGSKE TIDENDE

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IMPORTANCE OF 'POWER CENTERS' EVALUATED

Athens ANDI in Greek No 235, 24 Jun 83 pp 12-13

[Excerpts] If the United States "does not make the choices for us before we do," it at least thinks about and studies the Greek political situation even before we do for its own purposes. This is the conclusion that one comes to after reading a U.S. secret report, the main excerpts of which we publish below. The structure of the power centers in Greece, their influence on the decisions about the country's course, the prognostications on the next elections or the investment possibilities, as well as the development of all these elements with the passage of time are the fundamental points of this important report, which was prepared for "entrepreneurial use." The problem resides in the kind of "enterprises" that will be initiated....

The report is especially significant even if it did not originate with the classic intelligence services such as the CIA and the DIA. It was compiled by a private consulting firm which carries out studies on more than 60 countries on an annual basis. These reports are purchased by banks and multinationals which use them to orient their economic and investment policies.

Despite the private nature of these studies, their significance is indeed great. On the one hand, the analysts are usually high-level former cadre of government departments. At the same time, the reports are compiled in cooperation with local diplomatic missions and services and there has been easy access to "high-level" sources possessing precise information. Persons well-acquainted about the relative procedures assert that in most of the cases, these private consultant firms are but a cover for "covert" operations by the CIA, which is the real "entrepreneur" and initiator of all these analyses.

In view of all this, the report in our possession is significant in the research, not only of the U.S. attitude vis-a-vis present political developments, but also in the investigation of the modus operandi of U.S. services in regard to our country.

It should be noted here that 2 Greeks--whose names are nowhere mentioned--participated in the 1982 research team, while in 1983 all four researchers were U.S. citizens.

It seems that some parts of this report were used by the newspaper TO VIMA TIS KYRIAKIS on 5 May 1983. However, they gave a very limited picture of the report, confining themselves to a futurological diagnosis by an unnamed service, according to which the PASOK would, with certain preconditions, win the next elections by a 50 percent margin. These preconditions were the improvement of the economic situation, the continued presence of the president of the Republic, etc.

The entire report, both for 1982 and 1983, is characterized by a cold and neutral language and an attempt not to employ "ideological" arguments in the analysis.

It is obvious that the analysts are confronted by a methodological problem in evaluating the PASOK as a political power, while they believe that during a second term its policy would be more leftist, since it is presently more concerned with consolidating its hold on the government.

The 1982 report includes a diagram presenting the political correlations. Let us have a closer look at it. The vertical arrow refers to the "support," "neutrality" and "opposition" faced by the centers of power in present-day Greek political life. The levels of "support" and "opposition" are "strong," "average" and "low." There are no levels for "neutrality."

The horizontal arrow refers to the "importance in decision-making," that is, how significant is the "center." We have also 3 levels of "low," "average" and "strong."

Thus, for example, the "significance" in the "decision-making" of the "President Karamanlis" "center" is strong, and the "support" to the regime is low. The "significance" of the ND is average, while the "opposition" is strong.

We believe that it is obvious that such "information" is not intended solely for the consumption of entrepreneurs. It could actually be turned into an excellent tool if some foreign service wished to initiate the game of penetrating and influencing Greek political life.

For such a service, this diagram obviously is useful if it wished to undermine the regime of a given country; it would only have to concentrate on shifting the various elements. And it is not difficult to imagine what means could be used to shift the element of, for instance, "enterprises" or "armed forces."

At any rate, the comparison of the March 1982 and March 1983 diagrams is interesting. Many elements have changed, while others have disappeared.

We would like to end this article on an optimistic note. Fortunately, politics is not governed by the terms used in service studies or by the little boxes of the "systematic analyses" of various departments. In spite of everything, we would like to hope that all the elements that contribute to the shaping of the political game will keep in mind that they are placed in some "little boxes." And that they will do their utmost to ensure that politics becomes what it ought to be, that is, the expression of the unobstructed power of the people....

Η ανάλυση για το 1982

Η ανάλυση για το 1983

①

ΣΤΑΘΕΡΟΤΗΣ ΚΑΘΕΣΤΩΤΟΣ		
Δομή κέντρων λήψης αποφάσεων		
Χώρα: ΕΛΛΑΣ		
Ημ: Μάρτιος 1-82		

②

ΣΤΑΘΕΡΟΤΗΣ ΚΑΘΕΣΤΩΤΟΣ		
Δομή κέντρων λήψης αποφάσεων		
Χώρα: ΕΛΛΑΣ		
Ημ: Μάρτιος 1-83		

⑤

ΥΠΟΣΤΗΡΙΞΗ		
a. Υψηλή		ΠΑΣΟΚ
b. Μέτρια	ΚΚΕ 66.	ΕΦΕΕ ΚΚΕ ΠΑΣΕΓΕΣ
c. Χαμηλή	ΚΟΔΗΣ ΕΔΑ ΕΔΗΚ	ΠΡΟΕΔΡΟΣ ΚΑΡΑΜΑΝΛΗΣ

⑥

ΟΡΓΑΝΟΠΟΙΗΣΗ		
		ΕΟΚ

⑦

ΑΝΤΙΘΕΣΗ		
a. Χαμηλή	ΝΑΤΟ ΕΝΟΠΛΙΕΣ ΔΥΝΑΜΕΙΣ	
b. Μέτρια	ΣΟΜΑΤΑ ΑΣΦΑΛΕΙΑΣ ΕΚΚΛΗΣΙΑ	ΕΠΙΧΕΙΡΗΣΕΙΣ
c. Υψηλή	ΚΟΜΜΑ ΠΡΟΟΔΕΥΤΙΚΩΝ ΕΘΝΙΚΩΝ ΠΑΡΑΤΑΞΗ	ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ

⑧

ΥΠΟΣΤΗΡΙΞΗ		
a. Υψηλή		ΠΑΣΟΚ - ΠΑΠΑΝΔΡΕΟΥ
b. Μέτρια	ΕΦΕΕ	ΚΚΕ ΠΑΣΕΓΕΣ
c. Χαμηλή		ΓΣΕΕ

⑨

ΟΡΓΑΝΟΠΟΙΗΣΗ		
		ΕΝΟΠΛΙΕΣ ΔΥΝΑΜΕΙΣ ΕΟΚ
		ΠΡΟΕΔΡΟΣ ΚΑΡΑΜΑΝΛΗΣ

⑩

ΑΝΤΙΘΕΣΗ		
a. Χαμηλή	ΣΟΜΑΤΑ ΑΣΦΑΛΕΙΑΣ ΕΚΚΛΗΣΙΑ	ΝΑΤΟ
b. Μέτρια		
c. Υψηλή		ΝΕΑ ΔΗΜΟΚΡΑΤΙΑ

⑪ Σπουδαιότητα στη λήψη αποφάσεων

a. Χαμηλή b. Μέτρια c. Υψηλή

Σπουδαιότητα στη λήψη αποφάσεων

Χαμηλή Μέτρια Υψηλή

Key:

1. REGIME'S STABILITY
2. Structure of decision-making centers
3. Country: GREECE
4. Date: 1 March 1982
5. SUPPORT
 - a. Strong
 - b. Average
 - c. Low
6. NEUTRALITY
7. OPPOSITION
 - a. Low
 - b. Average
 - c. Strong
8. SUPPORT
 - a. Strong
 - b. Average
 - c. Low
9. NEUTRALITY
10. OPPOSITION
 - a. Low
 - b. Average
 - c. Strong
11. Significance in decision-making
 - a. Low
 - b. Average
 - c. Strong

CSO: 3521/364

MIXING OF DOMESTIC, FOREIGN ISSUES SEEN DANGEROUS

Athens EPIKAIRA in Greek No 778, 30 Jun-6 Jul 83 p 19

[Text] The case of the Turkish research vessel "Piri Reis" has been closed for the government, but has left many questions open in the minds of the public, questions which involve the real circumstances of the case in combination with the official handling by the Greek government of an extremely sensitive subject of foreign policy. As is known, Greece reacted immediately and strongly to the entrance of the Turkish vessel in the Aegean. The first communique spoke about echo-sounding research on the Greek continental shelf and reported two consecutive steps of deputy minister of Foreign Affairs, Mr. Kapsis, taken with the Turkish ambassador, Mr. Alatsam, while a third step was taken in Ankara by our ambassador. At the same time, the Turkish vessel was placed under close surveillance by our naval vessels, units of the navy were placed on alert and "dramatic" messages were exchanged between Greek captains and the Turkish master. All this took place in 24 hours. Then the Turkish response that the "Piri Reis" was doing research on water pollution in the Aegean was received. This answer was considered to be completely satisfactory in Athens and the calming announcements that followed differed very little from the expression of an apology for the Greek reactions which had taken place.

The Questions

The questions raised relative to this handling involve the following points: Did Greece know whether that particular Turkish vessel had the necessary technical equipment to do research on the continental shelf or not? Because the first communique spoke of echo-sounding research that can be easily detected by our naval vessels, which kept the "Piri Reis" under surveillance, had there been any doubt as to the type of research, why did Greece hasten to accept, without reservations, the Turkish explanations? How can the strong reactions be reconciled with the expression of full satisfaction within 24 hours?

If it is not a matter of wrong or superficial handling, as members of the opposition have observed, then it is one more confirmation of the diversionary tactics used by the government whenever it faces internal or intraparty problems.

Diversion

The same officials point out many similar examples of diversion in the 21 months of PASOK's administration. The gloomy picture of the economy, which was revealed when the present administration submitted the first budget to the Chamber of Deputies, was covered by the well-known accusation by the premier about "underminers" of the national economy. The two great waves of strikes that broke out during its term "coincided" with the "crisis" of Limnos during last year's NATO exercises and "critical" impasses in the Greek-American negotiations. To the same tactics is attributed the anti-strike Article 4 with the sugar-coating of the nationalization, while it is to be kept in mind that similar restrictive measures are in process for the press under the specious premise of price protection and consideration of the citizens.

In the latest incident, that of the "Piri Reis," the coincidence surely concerns the intragovernmental problem which came up with the known statements of Mr. Koutsogiorgas.

Adverse Results

On the basis of the opposition's estimates coming true, it is pointed out that the tactic of mixing foreign issues with domestic or party problems is particularly dangerous. This is so because the handling of matters of foreign policy, from one point onwards, ceases to be under the control of the government in view of the fact that their development depends upon the reactions of the other side. In addition, surely every action or decision on matters of foreign policy must involve the widest possible popular approval or consent. This does not mean though that the popular consensus can be imposed or--even worse--be the result of blackmail through contrived crises or opportunistic maneuvers for internal consumption.

In addition, the abuse of the tactics of diversion can lead to opposite results. On the one hand, it continually lessens the credibility of the government and creates well-founded doubts in the minds of the Greek people about the lack of seriousness and responsibility in facing problems, especially foreign ones. On the other hand, there is a danger of "partisanship" even in our domestic affairs since the Greek people are convinced that each time "the calling upon the consensus" does not serve the purposes of our foreign policy, but party opportunism.

9731

CSO: 3521/369

PASOK VIEW OF EUROPEAN UNITY CONTESTED, EASTERN DANGER NOTED

Athens I KATHIMERINI in Greek 2 Jul 83 p 9

[Text] When Mr. Papandreou's "movement" and government deny the advantages of the political unification of "Europe" and thus deny the correctness of our joining the EEC as well, supposedly they do not do it because this unified Western Europe goes against the ambition of the Greek premier to establish a European unity which begins at the Atlantic and ends at the Urals. They do it because they believe that by assuming this posture--and with the similar one which characterizes their relations with NATO--they give the impression of being a nonaligned European power which will draw the favors of Moscow so that the Soviets will help Mr. Papandreou to be elected leader of the non-aligned nations! At least this is what, it is said, some intraparty scenario anticipates...

The unification of all of Europe, Western and Eastern, is impossible to effect, as the premier of "change" knows fully well, even if the conservative governments disappear as long as the foreign policy of the USSR is dictated by the principle that anyone who does not agree with the communist dogma is its enemy. "Peaceful coexistence" is not a framework for the development of the mutual interdependence of independent and sovereign states. It is not because "peaceful coexistence," according to Soviet interpretation, is its right to wage unhampered battles of ideological confrontation "with capitalism and its lackeys," without its recognizing the same right for the other side.

Precisely in the name of these possibilities to wage ideological battles--that is, to overthrow the opposing regimes--a politically unified Europe poses one of the greatest obstacles. Moreover, the irreconcilable hostility of the KKE towards the EEC is not accidental because it is not inspired by some "vision" similar to that of PASOK, but by simple conforming to well-defined tasks assigned by the Kremlin to the faithful orthodox parties to divide the West. Only the hostility of Germany and France, for example, can play the role of catalyst in order to cultivate and bring to fruition in Europe the gradual takeover and progressive submission to Soviet supervision of the European nations.

It must not be forgotten that just as the October Revolution matured and prevailed in Russia as a result of the situations created by the First European War and later, World War I, so too the Second European War, later World War II,

resulted in Russia's territorial gains and power conquests in Eastern Europe.

The disintegration of the EEC, the elimination of the process of the stronger European countries facing, together, economic, social and defense problems which affect them as a whole or separate national cases, constitutes an obvious dominant concern for Soviet foreign policy--a fundamental premise for the "transition" of the strategic objective to exterminate the "ideological" opponent. Also, at the service for the same objective is the Soviet effort to achieve military superiority over NATO in order to add credibility to the arguments of diplomatic forays of "division by intimidation."

Of course, Moscow alone is not responsible for the arms race during the "peaceful coexistence" period. However, if unity is not used to neutralize the threats of intimidation to achieve success in dividing it, then Europe has no alternative left to the peaceful solution of European issues and disarmament except to recognize the right of the USSR to act as its guardian!

Is it possible that there can be a European people willing to agree to a similar "solution" for its national standing when the freedom of Moscow to regulate, with colonialistic authority, the internal affairs of its allies was proclaimed as official law with the euphemistic formulation of the Brezhnev doctrine on the "limited national sovereignty" of the Warsaw Pact member nations?

No one with an elemental respect for his human and political rights can accept the proposal of leaving the West by abandoning its political, economic and defense organizations because one will thus allegedly contribute to the unification of Europe under a regime where these rights will be more respected. As long as there are "Polands," "Afghanistans" and "Cambodias," even the most naive understand that similar proposals are not motivated either by the desire to establish true peace or to give to the famous "peaceful coexistence" the meaning of unhindered competition in order to bring to the fore the most effective system to protect the moral and material interests of man.

Let the government then stop pretending that it is not an EEC follower because it is a follower of PAOK [Pan European Defense and Economic Community]. One cannot be a follower of metaphysical self-packaging.

9731

CSO: 3521/369

DISAGREEMENT REPORTED BETWEEN ARSENIS, OTHER MINISTERS

Athens I KATHIMERINI in Greek 9 Jul 83 p 2

[Text] The question of the cooperation of the minister of National Economy with other, important economic ministers still appears to exist despite the double denial of yesterday's press reports which brought it back into the limelight. As political observers have pointed out, it is precisely due to the double denial and particularly to the difference between the statements of Mr. Arsenis and the government spokesman that one concludes that there is a strong indication that there actually exists a question of intragovernmental cooperation between economic ministers.

The articles reported that Mr. Arsenis has raised the question of ousting from the government the minister of Commerce, Mr. Moraitis, as well as three of his immediate collaborators: alternate minister of National Economy, Mr. Pottakis, and the two deputy ministers, Messrs. Georgiadis and Dimosthenopoulos. They added that Mr. Arsenis has supported the view that early elections must be held next October.

Yesterday, Mr. Arsenis denied the reports on the subject with a "curt" statement that it was "unworthy of denial" and that they "lack any resemblance to the truth."

On the contrary, the government spokesman stated that Mr. Arsenis collaborates fully, closely and in a friendly way with the other ministers and that no collaboration problem whatsoever has arisen. He added that the same is true for the entire cabinet, which "is a chain."

As regards the matter of the proposal for early elections, the government spokesman stated that, as Mr. Arsenis had told him, he never even thought of it. The government spokesman repeated the assurance that "the elections will take place in October, 1985."

However, while the government denied these reports by the opposition press, it made absolutely no comment on other reports by the press friendly to it that speak of an alliance of industrialists and merchants against the government. Mr. Arsenis, in replying to a question on the subject, stated that "this was an opinion of the press and he had no comment."

One should bear in mind that just last Sunday he revealed that the government was planning to unleash a barrage of denunciations about its work being sabotaged.

PASOK CONCERN OVER LATIN AMERICAN PROBLEMS PROTESTED

EEC Disapproval Reported

Athens MESIMVRINI in Greek 12 Jul 83 p 1

/Text/ At the very first meeting of the EEC political cooperation committee held under the Greek presidency in Zappeion last week, the PASOK government found itself on the dock and up against its nine European partners.

During this meeting (of the political committee on Latin America) the PASOK government sought, through the Greek representative, to have a resolution passed that would condemn American interference in the region on the pretext of defending...peace.

The other nine delegates (headed by the Dutch delegate!) as a body opposed this effort. Opposition which quickly turned into direct confrontation.

The nine delegates criticized the Greek Government for planning, in cooperation with certain extremist Arab regimes, a large-scale financing of leftist governments and movements in the Latin American region.

It is not fortuitous that a few days later Prime Minister Papandreou himself made a corresponding proposal to Spanish Prime Minister Gonzales while on a visit to Madrid. The European intelligence circles had worked excellently.

Diplomatic circles attribute this unfortunate initiative, that the Greek presidency promoted before analyzing it properly, to Deputy Minister of Foreign Affairs K. Papoulias and his staff. It appears that officials in Brussels are prepared for other similar PASOK "surprises" during the next 6 months.

Lack of Reasons Noted

Athens MESIMVRINI in Greek 13 Jul 83 p 3

/From the "Issues of the Era" column by Giannis Lampsas: "Nicaragua and Us"/

/Excerpts/ Irresponsibility and highhandedness continue to be the main trademarks of the PASOK government. A few examples show this very clearly.

For example, we heard with surprise the prime minister saying in Spain, where he had gone for a few days, that "I am especially concerned over...Central America."

You will say: But did not Spanish Prime Minister Gonzales make the same statement, even though he did not come out to say so to reporters? There is, however, one important difference. First of all, Spain has special ties with Latin America since they both have a common language, common religion and common traditions. However, what connection does Greece have with Honduras and Nicaragua? There are not even many Greeks in those two countries. Just out of curiosity, ask the man in the street if he knows their exact geographical location or their capitals and you will be assured that their fate does not concern us whatsoever.

The second difference is that Gonzales does not have other priorities, such as the Greek-Turkish or Cypriot ones, and consequently can turn his attention to Central America. After all, he is also a socialist. A socialist, however, who is very careful not to strike out against the United States in public declarations (he permits the United States to maintain bases in his country), and also not to talk about "wolf dens" since, as it is known, he is seeking to enter the EEC as soon as possible.

There is also another form of schizophrenia in the Papandreou foreign policy: to justify our remaining in the EEC, the prime minister and his associates are saying that "we got into the EEC and we are consequently forced to fight from inside the community for modifying whatever appears to us as being unacceptable." In other words, we would have preferred not joining. Why, then, do we support the Spanish request for entry into the EEC? Since we could not save ourselves, why do we not at least insist that another "socialist" state not deserve it.

No logic can explain this.

5671

CSO: 3521/380

INTRA-PARTY STRIFE ALLEGED IN POLITICAL SPECTRUM

PASOK Hardliners, Centrists

Athens AKROPOLIS in Greek 14 Jul 83 pp 1, 7

/Text/ Open warfare has broken out between PASOK hardliners and centrists with undetermined repercussions for the government party. The first evidence of the warfare was the dismissal of Mr Doris, secretary general of the Ministry of Culture, over whom Mrs Merkouri had made a case by threatening to resign herself if he did not leave her ministry.

Mr Papandreou, who was pressured by the other hardliners not to satisfy Mrs Merkouri's demand, finally accepted her views since he feels that the minister of culture presents a good international "picture" of his government.

Formally, Mr Doris' resignation is due to his very sharp disagreements with Mrs Merkouri that had cropped up some time ago and that had not been hidden.

In essence, however, it was a question of a pure reckoning between the hardliners, to which Mr Doris belongs, and the centrists who have recently increased their pressures on the prime minister to free PASOK from the mortal embrace, as they describe it, of the hardliners.

As AKROPOLIS is in a position to know, there are specific cases of PASOK deputies and cadres of centrist persuasion who not only are displeased with the situation to which the government party has arrived but attribute this directly to the hardliners and to their "experiments."

There are even cases of PASOK deputies who maintain that because of the hardliners their party has lost the majority and they propose a general purge from the government apparatus of all hardliners without exception in an effort to save whatever possible.

The person conveying the views of PASOK's centrists is President of Parliament Alevras who has often conveyed their views and discontent to Mr Papandreou, with the result that he is not liked by the hardliners.

Nevertheless, it appears that the prime minister has begun to understand, even late in the game, that the situation in the government party needs a drastic purge. And indicative of the prime minister's thoughts is also the fact that he goes to Kerkyra with Mr Alevras to examine the situation with him and to find ways to confront it.

At the same time, Mr Papandreou has begun to appear as favoring the centrist wing of PASOK. Equally related is his statement in a morning newspaper which supports PASOK to the effect that his government is being hit by two extremes, explaining that he means New Democracy and the KKE and that consequently he is in the center and is waging a two-front fight against them.

Papandreou's backward "centrist" deviation is justified as one step--regardless to what extent it is definitive or seeks to serve expediencies-- in his effort to keep within PASOK at least all those who precisely come from the Center and who had voted for him in the last election.

AKROPOLIS is today publishing exclusive information about the entire behind-the-scenes warfare between hardliners and centrists within PASOK and both the real and formal reasons that led to the dismissal of Mr Doris from his position as secretary general of the Ministry of Culture and whose replacement yesterday was Mr K. Alavans, special adviser to Mrs Merkouri.

The following is AKROPOLIS' exclusive information:

The resignation of Mr Mikh. Doris as secretary general of the Ministry of Culture is assuming disastrous proportions within PASOK party circles.

In accordance with reliable information, the reasons for the resignation relate to his sharp disagreements over the policy of Minister of Culture Merkouri and also over internal matters of the ministry that set the failure of the government's policy in the cultural field.

Mr Doris is considered among the "hardline" PASOK party cadres and his sudden and unjustified elimination from the Ministry of Culture is expected to cause much opposition in the party apparatus which had made him an "overseer" of Mrs Merkouri who is known for her unrestrained declarations.

Mr Doris is a member of the PASOK central committee and was a PASOK candidate for deputy from Athens. His wife is a municipal councilor of Mr Bei and among the active PASOK cadres.

Other sources mention that other party cadres serving in government positions are to be eliminated in a widespread purge effort. These cadres will be used as "alibis" for the crushing failure of the government's policy in all fields of endeavor.

According to reliable information, Mr Doris' elimination was undertaken after a decision by Mrs Merkouri who had reached the point of threatening to resign. She even threatened to bring the matter before the ministerial council, describing Mr Doris as uncooperative because of his hardline party inclination. Well-known "hardline" government ministers were involved in this conflict to support Mr Doris' remaining in the Ministry of Culture.

Finally, the matter was put before the prime minister who decided that he could not at this time have Mrs Merkouri resign, given her international prominence that constitutes an exploitable factor for the government.

Under the circumstances, Mr Doris was obliged to offer his resignation which was accompanied by a report to the prime minister that contained serious charges against Mrs Merkouri. This report was followed by others, while the Merkouri-Doris clash has become "an open secret" in government circles.

In the report submitted to the prime minister, Mr Doris described Mrs Merkouri as unsuited for handling the responsibilities of the ministry. He also criticized a series of biased acts that Mrs Merkouri had signed to favor her personal friends. With regard to Mrs Merkouri's weaknesses, the report states that she is guided by her entourage of which she has become an unwilling agent. These charges were also communicated to the party cadres and this fact provoked the wrath of the minister of culture who also received reprimands from her associates.

This is the first time one of the hardline core PASOK cadres is being removed from office, following many internal deliberations in the government in which Messrs Koutsogiorgas, Tsokhatzopoulos, Gennimatas, etc. were involved. The prime minister's position is being interpreted as a stance in favor of the moderate wing of PASOK and as the beginning of the promotion in the government of persons who belong to that wing which is of centrist persuasion. While the party hardliners criticize Mr Papandreou for a series of mismanagements in the proceedings that should have been enacted in the party organs (completion of the central committee, congress, etc.), they conclude that the prime minister, through various maneuvers, has abolished every form of democracy and conducts himself as an imperious dictator.

Thus, the most bitter fight within PASOK between the moderate and hardline wings is beginning. The hardline wing is reportedly headed by Mr Tsokhatzopoulos, while the moderate wing is reportedly headed by President of Parliament Alevras who for some time now has been pressuring Mr Papandreou to limit the initiatives of the hardliners with which they were promoting their own leadership aspirations. Also, the hardliners have been terrorizing the moderate elements of the party, those with centrist origins or proclivities, with the result that PASOK is being cut off from the broad centrist masses that are beginning to turn to New Democracy.

While the clash between hardliners and moderates within PASOK has raised the temperature in party organizations and opposition has thwarted for 6 times the almost certain government reshuffle that had been put off from Saturday to Saturday, the Doris issue and the revelations that threaten to shake PASOK, as related by its entourage, will show that this is not one of those routine party cases that will end up in some kind of compromise. This is evidenced by the fact that Mr Doris refused to assume any other position.

It was announced this evening that Mrs Merkouri has accepted Mr Doris' resignation that had been submitted some time ago.

The same announcement mentions that Mr Doris requested to be released from his duties so as to have free time to finish a cultural study that he began some time ago.

Dissatisfaction in ND

Athens ETHNOS in Greek 13 Jul 83 pp 1, 2

/Text/ A savage argument and an intense political confrontation erupted yesterday among New Democracy leadership circles and assorted groups of cadres.

The cause was the overall handling of the organization of the Kalamata meeting and also certain references made in the speech by Mr Averof.

Indicative of the political crisis that has broken out in ND ranks are the following:

- The urgent recall from Paris yesterday afternoon of Mr Mitsotakis, by way of telex, who should be in Athens tomorrow morning at the latest.
- The haste with which the interpellation with regard to the events in Kalamata was filed in parliament, evidently to avoid divisive trends that were brought about in the party ranks and to bring together and expand the various alignments into one common battlefield.

Boomerang

As was being stressed in all quarters and many sides, the Kalamata meeting finally ended up as a "boomerang" and basically upset the limited goals that the neo-democratic directorate had determined so as to make "efficient" and "a rallying point" the tactics of "an open aggressive initiative" and "the provocative mass appearances" that the party had inaugurated there for long-term political bases.

However, Mr Averof's speech does not appear to have created any less objections among neo-democratic ranks.

Many judged it as an "old-time partisan" speech, "antiquated" and "patriotic rhetoric," while others described it as "without feeling" and above all "dull" and "weak" politically and ideologically-speaking to be able to instill enthusiasm, to encourage and rally those "neutral" or "disappointed" masses in the neo-democratic political arena.

Of the most implacable critics of the handling of the Kalamata meeting, namely Mr K. Stefanopoulos, the number one heir apparent to and contender of the leadership of Mr Averof, is said to be stressing his great concern that "with the tactics being followed, instead of bringing about a rallying of those that have been led astray and those neutral conservative forces within the party,

as had been planned, panic has been created that has exactly the opposite results."

And, especially, a big group of those both in and out of parliament, heteroclite and dynamic in nature, who for various and sundry reasons are strongly opposing not only the handling of issues but also the many points made in the New Democracy's leader's speech.

They are, in principle, the so-called "progressives" who, with the statements made by Mr Averof during the 1947-1948 civil war period and also, more generally-speaking, with the opposition policy he is engaging in, primarily with the organized provocations that have been fabricated, they have the justified concern that once again the "hardliners" will take over power in the party and at the same time that it will not be possible to implement the tactic of attracting "centrist" and other "conservative" forces to New Democracy.

After that there are all the presumptive "heirs" who, within the "hardline" tactics that were tried to be inaugurated in Kalamata, see Mr Averof creating rallyings around him and being strengthened within the party apparatus which means that hopes are dimming for a succession shortly.

There are also those "faithful" to the spirit of the former leader and current president of the republic who maintain that, without authorization, Mr Averof is mingling the name of President Karamanlis in the partisan and party game and is undermining with his inflammatory tactics both unity and unanimity that is needed at this time and that constitutes the desire and political position of the president of the republic.

Inconsistency

This group also stresses the inconsistency that is revealed in the neo-liberal line and the opening of the party to the "liberal" and "centrist" masses that was decided on after the return of Mr Averof from London and the actual practice of attacks and provocations that are being implemented.

Following the Kalamata thunderbolt there were storms within the ranks of New Democracy. And not only at the leadership and uppermost cadre levels but also at the party grassroots level.

This same confrontation and quarrel has also descended to the New Democracy nome committee in Kalamata which, as local observers relate, is in open warfare and "dissolution."

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CSO: 3521/380

PASOK GOVERNMENT FACES DILEMMA IN PALESTINIAN POLICY

Athens I KATHIMERINI in Greek 14 Jul 83 p 5

[Excerpts] Which "representative" of the Palestinians will Papandreu embrace in the future if the PLO is divided? This question must certainly preoccupy the premier and his diplomatic assistants because the answer depends on much more critical "choices"--to use a word dear to PASOK--than those which indicated the embraces with Yasser Arafat.

In supporting the Palestinian leader as the only and undisputed "representative" of the Palestinian people, the Greek government supported at the same time the front of the pro-Soviet Arabs against the U.S., Israel and the Arab governments who worry over the continuation of hostilities in the Near East.

But from the moment Arafat approved--silently--the Israeli-Lebanese agreement for the simultaneous withdrawal of Israeli and Syrian forces from the Lebanese soil, and "greeted" the positive aspects of the Reagan proposal for the solution of the Palestinian problem, he lost the confidence of Moscow and therefore of those Arab governments which are directly influenced by the Soviet Union.

It is clear that the Soviet favor will shift to a new leader of the PLO who will reject every agreement with Israel and every American peace plan. If the PLO is split, the breakup will not only mean different views of the Palestinians as to what road to follow to solve their national problem but will also mean agreement of opposition to the Soviet policy. Precisely on this dilemma the Papandreu government will be called to make its "choices." The Papandreu government has supported until now every Soviet position, emphatically in fact, in its anti-American and anti-European impulses probably to show that the support of the Soviet policies came from "pure" anti-Westernism and not from a coincidence of Russian and Greek interests!

The refusal of Papandreu--not only when he was in the opposition but also when he assumed the responsibilities of government--to associate himself with those who work for peace in the Middle East instead of applauding the supporters of totalitarian solutions, entangles him more and more in situations which cannot benefit our country or even Cyprus. This is inevitable since Greece is too small a power to make its weight felt in favor of one or the other side when the superpowers are involved, and it is too exposed to economic and foreign dangers to cause enmity--more than what it has already incurred!

There is little hope that the present Greek government will follow a wiser foreign policy. The "syndrome of grandeur" which seems to have afflicted all "third world" socialist premiers or chiefs of state seems to have afflicted Papandreu, too. Otherwise one cannot explain his formally declared intention to intervene to solve the problems of...Latin America, to bring into contact the Arab oil-producing countries with the poor Central American countries, to move toward joint investments, or to transform--in the second half of 1983--the "Europe of monopolies" into a "Europe of the peoples!" It is doubtful, therefore, that in the case of the Palestinians a position will be selected which will be dictated by the country's broader interests and by the neurotic impulses of the socialist visions!

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CSO: 3521/377

DISSENTERS REPORTED FORCED FROM KKE RANKS

Athens ANDI in Greek No 236, 8 Jul 83 p 13

[Text] According to exclusive ANDI reports, the leading KKE faction is moving forward with the purging of party cadres. These are cadres that have risen through the anti-dictatorial movement, contributed to the uprisings in the Law and Polytechnic Schools, and have become active KKE cadres since the fall of the dictatorship. Included are:

Nikos Bistis, secretary of the Base Party Organization of Lawyers in Piraeus, member of the board of directors of prisoners and exiled persons and of the committee for the takeover of the Law School.

Giannis Andonion, educator, member of the Anti-dictatorial National Student Union of Greece [Andi-EFEE] and of the board of directors of the Athens Labor Center (1975-78).

Thanasis Gialketsis, member of the ideological committee of the KKE Central Committee until the 11th Congress.

Manos Trandalidis, vice-president of the Pharmaceutical Club of Attiki, member of the Andi-EFEE and a draftee during the junta.

It is worth noting that the only charge against these cadres is that they talked to Leonidas Kyrkos!!! The method of expulsion and the unprecedented "indictment" have caused great commotion within the KKE while the members facing expulsion refuse to confirm or comment on the facts. More details follow below in this report.

Is it that the right to criticize, to have a difference of opinion, or to disagree, has no place in KKE's internal life? Even in the most severe, the most unbending, the most bureaucratic version of democratic centralism (through its many variations which of course belong to different periods of the history and the experiences of the communist movement) there is no place--theoretically at least--for such a Draconian restriction.

Even the Soviet leader Boris Ponomarev accuses in his recent article in "Kommunist" that there is no truth to the idea of "monolithic communist

parties in which it is impossible to discuss freely the ideological questions and the issues of strategy and tactics." And he adds: "This is a joke. In reality there is free discussion within the communist parties which have nothing to do with the practice of solutions imposed from above."

But what happens in reality? According to reports whose authenticity cannot be questioned since they come from inside the party machinery, KKE's leadership promotes from above a purging operation to remove from the party those who express different views. Those, in other words, who did not line themselves up before the Congress with the choices and the policies of the leadership, and who raise critical doubts or present alternative views to the public dialogue; objections and views which, although they have no subversive or disruptive character, contained new ideas on questions which are "taboo" and touched or went beyond the limits of "permissible" disagreement.

The publication of these views was imposed on the KKE leadership by necessity, to the extent that those who held them were sufficiently known as fighters of the anti-dictatorial struggle and of the Anti-EFEE, and also as KKE's active cadres all these years. (Most of these views appeared in the phantom issue of KOMEP which came out in a limited number of copies and was quickly sold out with the party. It is worth noting that this issue (KOMEP 12/82) was not even sold through the party bookstore "Modern Era".) Yet the avalanche of critical articles in RIZOSPASTIS and the harsh names hurled even from the rostrum of the Congress (by members of the KKE leadership) against those who disagreed (calling them left-rightist opportunists, Trotskyites, etc.), already prepared the ground, set the conditions for a decisive handling, for a "cleaning up" by taking administrative measures, by practicing discrimination and exclusion as a first stage and by forcing to resign or in the end expelling the dissenters. The unusual harshness of KKE's polemics against the views of the dissenters was dictated by the imperative to avoid "legitimizing" them within the party. Conclusion: We must get rid of those annoying types. Once they identified the "dissenters" there was nothing left but to attribute to them "libelous" accusations (intellectuals, fractionists, etc.) to prepare the ground for a more drastic handling, according to these reports spread by the KKE leadership itself among the party organizations, well-known spokesmen of different views. The names of Giannis Andonlou, Thanasis Gialketsis, Nikos Ristis, Manos Trandalidis and others are being mentioned. The active record of these persons within KKE is known in the broader area of the left and their views, in the discussions prior to the Congress, sparked mass interest in and out of KKE.

It is interesting that the only proof and irrefutable testimony(!) of their "anti-party" attitude is an alleged friendly meeting with L. Kyrkos!

It is, of course, up to the KKE leadership to explain to its members which principle or provision in the party charter prohibits the members of a party which invokes the need for dialogue and for the unity of the forces of change, from speaking to members or cadres of the broader left area.

The picture of the present situation within KKE is completed by certain other elements such as the dissolution of the organization of scientists and intellectuals and the absorption of their membership by the suburban organizations. This decision of the KKE leadership caused opposition in this sensitive area since the reason for placing under control the intraparty disagreements is transparent.

7520

CSO: 3521/377

KARAMANLIS' INFLUENCE SEEN STRONGER IN WAKE OF SPEECHES

Athens EPIKAIIRA in Greek No 779, 7 Jul 83 p 20

[Text] The speech of the president of the republic in Serres creates a new situation in our political affairs as they have developed following the elections of October 1981. This is the conclusion reached by important political personalities who note and analyze the following new elements: First, the gatherings in Serres and in Drama showed that the prestige and the popularity of K. Karamanlis in the eyes of the Greek people are not weakened, instead they appear to be considerably strengthened. Second, the chief of state continues to draw his power directly from the people, a fact which increases his responsibilities at the highest office in the state. Third, the recognition of these responsibilities is possible to activate the powers the constitution grants the chief of state. And fourth, Karamanlis is not willing to delegate the initiatives which fall within the area of his constitutional powers to other factors in our political life.

Popular Power

According to the same observers, of these four elements the most important and decisive is Karamanlis' popular power. Although the election of the president of the republic is indirect--by the Chamber of Deputies and not directly by the people--Karamanlis appears to believe that the chief of state must keep close contact and have high prestige and broad appeal among the people.

This is considered natural because any resort to his exceptional powers and any break with the government will have the people as the final arbiter, either through a plebiscite or through an early dissolution of the Chamber of Deputies and holding parliamentary elections. It is true that in such cases the presidential action would likely be supported by one or more parties; this president, however, seems to seek an independent power which will avert polarization and will safeguard as much as possible his above-party role.

The public gatherings in Serres and Drama, according to the same assessments, showed that Karamanlis not only maintains but very likely has increased his popular power. This phenomenon is attributed mainly to the trends prevailing today within the electorate; trends which do not "flatter" our political

parties and especially the two major parties. PASOK not only has been unable to meet as a government the expectations of the majority it snatched, but it has created a strong and "politically early" disappointment in a large segment of its supporters. On its side, the New Democracy has failed to inspire confidence and to harvest as gains the PASOK losses. Thus at this moment the most significant element is the existence within the electorate of a disturbingly large ratio of "nonaffiliated" ranging--according to recent polls--from 26 to 31 percent.

"Karamanlis' Intervention"

A large mass of the Greek people composed of the "deceived" and disappointed voters of PASOK, the "dissatisfied" and wondering in the New Democracy area, the "undecided" of the Center, turn again to a "Karamanlis intervention" to correct what is wrong. But beyond this section, the prestige of the president of the republic covers a much wider area. It is indicative that the serious pro-government press avoided criticism of the speech in Serres knowing that the "directed" comments published in partisan papers not only did not reflect public opinion but on the contrary seriously displeased the Greek people. This is because, it is noted, the overwhelming majority of the Greek people recognize the accomplishments and the contributions of Karamanlis while, moreover, in their view the present chief of state has been established as the guardian of our democratic system.

Preparing the Ground

Precisely this prestige and power is what the president of the republic wanted to protect by his speech in Serres. In addition to his legitimate sensitivity to any effort to downgrade or distort his political contribution, he seems to believe that the attacks against him did not concern only the past but were a preparation of the ground for future actions.

It is known that in the last few months there has been a methodical campaign to question the constitutional powers of the president in "scientific" articles. The philosophy of these texts originated in the discovery that for the last 8 years the new constitution has been in effect, the president of the republic has not exercised any of his extraordinary powers, reaching the conclusion that these powers have weakened so that the premier's role exceeds that of the president.

Direct Acceptance

The speech in Serres put an end to these "theories." The "no comment" of the government's spokesman may have indicated indirectly and informally displeasure for Karamanlis' action, but directly and formally verified that the government accepted the role and the powers of the president. Karamanlis snatched this acceptance, "forcibly" raising publicly, in an impressive popular gathering in terms of volume and enthusiasm, the issue of his relations with the government.

At the same time his action can be justifiably regarded as a clear warning to the government that every initiative outside the routine procedures has been assigned by the constitution to the president and not to the premier. This warning is particularly significant at this moment when there are rumors spreading about the planning of "political impasses" aiming at an electoral surprise.

This means that Karamanlis is not willing to succumb to political blackmail, not even under the threat of a partisan confrontation between himself and PASOK. Many believe that such a possibility should cause more concern to Papandreu than to Karamanlis.

7520

CSO: 3521/377

LABOR PARTY ORGAN CRITICIZES COALITION ON ECONOMIC POLICY

Oslo ARBEIDERBLADET in Norwegian 21 Jun 83 p 4

[Editorial: "Nation in New Clothes"]

[Text] At this time, no one can foresee the eventual outcome of the establishment process recently concluded by the nonsocialists. The new Willoch government, which is now securely in place with the responsibility resting on the three coalition parties' parliamentary representatives, must be given some time before we can begin to draw conclusions about the consequences of party politics and other matters.

What can already be noted, however, is that the new government has initiated a chain reaction, which is still developing inwardly, within the individual parties, as well as outwardly, in the political environment. One of the more curious elements is the extent to which people and organs are now fully engaged in adapting to the new situation. Old standards are being buried; new attitudes and "truths" are quickly moving in to take their place.

In that connection, it is interesting to note how the party organ NATIONEN has suddenly become an active government defender. In a committed and well-formulated manner, the Center Party's chief organ now justifies how necessary and right Conservative Party economic policy is for our nation.

In an editorial last Monday, for example, NATIONEN wrote: "The Labor Party's attack on--and rendering suspect--the government's economic policy is opposition politics at their worst."

And--just like Prime Minister Willoch--NATIONEN points to the Harlem Brundtland government's long-range program, which, according to NATIONEN and Willoch, would have meant a quite different and more stringent economic policy. NATIONEN further wrote: "The Labor Party's prescription for unemployment is the same today as it was in the seventies when it had the mandate to govern and the majority to steer Norway's economy in the wrong direction with its inflationary policies. Now as then, its prescription is increased public spending, ostensibly to stimulate economic activity and put the unemployed to work. But the Labor Party silently ignored the reverse situation, continued and higher inflation."

We do not know what kind of political housecleaning is under way in the Center Party, but if NATIONEN gives expression to ideas which are now also shared by the Center Party leadership, the house-cleaning will be a sensational one. In order to be able to swallow whole the Conservative Party's rhetoric the way NATIONEN has done, you would have to disassociate yourself completely from most of the political deals made by the Center Party in the last 6 months.

It would actually be sufficient just to mention the Center Party's high bid in the agricultural showdown 2 weeks ago, when Center Party agricultural politicians were willing to up the government's proposal by almost 200 million kroner. But in order to refresh the memory of the Center Party's chief organ, we also want to add a couple of items from the last party congress in Trondheim. In addition to lowering interest and raising the limit on all types of loans made by credit institutions, the Center Party proposed a cross-political move to fight unemployment, which would have meant more money for new projects in cities and counties as well as more money for district roads, reduction of the employer tax, expansion of the arrangement of government aid to cities and counties, a more flexible pension plan and increased availability of credit through Husbanken.

When your arguments are weak, you may feel compelled to use myths in order to save face. That is what Prime Minister Willoch is doing by searching for words and phrases in old documents. That is what NATIONEN is doing by using the worn-out claim about cuts in the Brundtland government's long-term program.

The Labor Party's long-term program covering this period projected a 2 3/4 percent annual growth in public spending. This growth was considered necessary to provide employment. All concrete proposals submitted by the opposition Labor Party have been in complete accord with this long-term program.

The economic policy which NATIONEN now defends so strongly has led to heavy-handed cuts in public spending. Last year we had a real reduction in public consumption and, if the government's high estimates are realized, we will only have a 1.1 percent growth in public spending under the Conservative Party government. And this following a year when unemployment rose by 40,000 and public budgets were cut--not because we had to but in order to give the Conservative Party the economic room to carry out its irresponsible tax cut promises in the amount of approximately 12 billion kroner.

For that matter, we want to wish NATIONEN good luck in its new role as Willoch's armorbearer. If nothing else, that is something new at any rate.

8952

CSO: 3639/135

CENTER PARTY CHAIRMAN DENIES DISAPPOINTMENT IN COALITION

Labor Organ Asserts Discontent

Oslo ARBEIDERBLADET in Norwegian 24 Jun 83 p 6

[Commentary by Wiktor Martinsen]

[Text] "The joys of this life must be paid for with sorrow." This seems very appropriate to the experiences leading politicians in the Center Party and the Christian People's Party are going through at this time. After an interesting time with a lot of attention from the media, during which they could keep their cards hidden and reveal a few when it suited them, the time of reckoning has now arrived. The party leaders must meet their own people and try to convince them and explain things--not just their own actions, but also what their new Conservative colleagues are doing at the moment.

Bungling

The strategy looks more like bungling than explaining things. Fumbling around and hiding the hard political realities. It was that kind of job Center Party chairman Johan J. Jakobsen undertook at the national Center Youth League congress which started Thursday.

The way Kare Willoch has proceeded with current security policy issues so far, it would be impossible for Johan J. to create any enthusiasm for embracing the Conservatives in his own ranks. This is especially true of the youth group, which received some signals at the last national congress of the mother party that something constructive and independent could also be expected from the Center Party in the area of security and arms reduction policy. The statements approved at the congress could be interpreted as indicating that the Center Party was on its way toward a somewhat freer position within the nonsocialist bloc and that the party might be able to throw off the paralyzing demand for uniformity that the Conservatives have imposed on their coalition partners.

Equal

No one could perform the job now facing the Center chairman with brilliance and elegance. First he must convince his own members that now that they have jumped off the deep end with the Conservatives, they acted as equal partners. At the same time he must somehow or another make it clear that certain resolutions from the last party congress must not be mentioned by the members--at least not if there are Conservative people in the vicinity.

The Center congress spoke positively about the freeze proposal. In a statement the congress also made it clear that when it came to results of the talks in Geneva, it was assumed that these would be evaluated by NATO and the individual member nations. The statement also indicated that if no results had been achieved by the end of 1983, NATO should take a stand on new negotiation rounds in the future.

These were the ideas that Storting representatives Buttedahl and Velsand cautiously tried to introduce in the debate on the statement. They were brutally and concisely put in their place by the chief of state and his henchmen.

Coalition Seen Soon Disintegrating

Oslo ARBEIDERBLADET in Norwegian 24 Jun 83 p 6

[Text] "A coalition government cannot be based on dictatorship by one party. The new three-party government may hold out until Christmas, but it will hardly last longer than that," former Center Party Storting representative Erland Asdahl told AKERSHUS ARBEIDERBLAD.

"Prime Minister Kare Willoch has behaved dictatorially in connection with the talks about a nonsocialist coalition government. He even went so far as to select cabinet people for the middle parties. In the past, of course, the respective parties have played a major role. Willoch's demand that the balance of strength in Storting be reflected in the government is also highly unusual. Just look at the composition of the Borten government" Asdahl said.

The former Center representative in Storting from Akershus did not think the government could keep going any longer than Christmas.

"The parties will probably work frantically to keep the government together, at least until after the county and municipal elections. The question is how many controversial issues the government can sweep under the rug. All logic, however, indicates that we cannot go through both winter and spring before the differences again lead to political storm clouds. And we can be sure that the Conservatives will not spare KRF [Christian People's Party] or SP [Center Party] if things break down. I am afraid that both KRF and

SP will be part of the circus," Asdahl said in response to a question about the result of government participation on the two middle parties.

Asdahl thought that it would be especially hard for KRF to make a comeback, which of course has something to do with the cheap way in which the party sold out its convictions in order to get cabinet seats.

"Just think of the Silitjelma and Tyssedal industrial affairs. In addition to foreign policy, not to mention the abortion issue," Asdahl said.

Center Chief Praises Coalition Role

Oslo AFTENPOSTEN in Norwegian 30 Jun 83 p 3

[Article by Alf Seeland]

[Excerpts] "In many ways this government is stronger than the Borten government because so much of the political basis has been cleared up through negotiations. Now the government as a whole will work offensively on the major tasks: fighting inflation, strengthening the nation's competitiveness and improving industry's general conditions," Transport and Communications Minister Johan J. Jakobsen said in a conversation with AFTENPOSTEN.

The cabinet minister, who is also chairman of the Center Party, expressed his surprise at the repeated assertions that the middle parties have been "run over" in the government negotiations. "Compared to the Borten period, it is a problem that the Conservative Party is now larger than the middle parties put together. But a real cooperation cannot be practiced if 11 cabinet members systematically overrule the seven from the middle parties. Some of the comments after the government was reformed seemed to be based on this kind of erroneous idea. As a rule, the government body will talk things over before arriving at a common stand. The middle parties' bloc of seven will then be a significant political factor in the government."

SP Payoff

Cabinet minister Jakobsen revealed that his "Whitsun speech" calling for an expansion of the government was carefully calculated and had been discussed by the party's strategy committee. "But I must admit that developments went faster than I had believed possible. That just shows that we were overdue for an expansion."

Is the party rank and file satisfied with the payoff?

"We had not expected more than three cabinet posts for ourselves. We are reasonably satisfied and we place special emphasis on the fact that in addition to the regular permanent secretaries, we also got one in the Finance Ministry."

After all the irony from commentators outside the party and the warnings against "Conservative arrogance," cabinet minister Jakobsen wanted to stress that the posts the Center Party has been given in the government are in good balance with the party's involvement. "Heading the Transport Ministry gives us a chance to push the party's district policy. We have traditional interests to protect in agriculture and as a party we have important things to fight for in the environmental sector. These are also the ministries we were especially interested in when we embarked on negotiations.

"Now we can confirm that the Center Party is 'on track,' to use Leirfall's expression. Work in the government body spans the entire spectrum of policy. Thus it is clearly an advantage to take part in the decision-making process at as early a stage as possible. This opens up opportunities we would otherwise not have had," said cabinet minister Jakobsen, who has seen little in the way of discontent from those sections of the party that have been skeptical in recent years about government cooperation with the Conservatives. He gave special praise to Center Youth, which he said had played a constructive role in this context.

Behind the Government

Is it a problem that the party has defectors on the missile issue in Storting?

"No, we have friendly respect for each other's views, but the Center Party as such stands behind the government's security policy."

Is the EC vote eternally binding for the party?

"Not eternally binding, but it is not the government's policy to bring up that question and it was not a time delay that weakened our party's stand in 1972. We intend to further develop our cooperative relationship with EC on the basis of the political and economic advantages in the agreements Norway has."

Voters Confused About Christian People's Party Intentions

If an election was held tomorrow, 81 percent of the Labor voters from 1981 would vote for the same party. The figure for the Christian People's Party is 69 percent, a decline of 17 percent compared to April, according to a political stability survey the Norwegian Opinion Institute conducted for AFTENPOSTEN.

The survey was made before the government was restructured. Therefore the dramatic decline for the Christian People's Party is due, according to observers, to uncertainty about the party's stand on government cooperation from the national congress held from 15 to 17 April up to the time when government expansion became relevant at the end of May.

However it is the Liberals with 57 percent and the Progressives with 63 percent which have the lowest stability among their own voters. In these parties, 33 and 24 percent respectively answered that they might vote for another party if a Storting election was held now.

The figures for the other parties deviate less from the April survey. Conservative stability is 74 percent, compared to 79 in April; in the Center Party it is 71 percent (79) and in the Socialist Left Party it is 71 percent (72). Some 15 percent of the Conservative voters from 1981 say that they might vote differently today.

In all, 60 percent said they would vote today for the same party, while 12 percent might vote differently and 21 are uncertain.

Stability is highest in Oslo/Akershus, 66 percent, and lowest in southern and western Norway, 56 percent.

<u>Response</u>	<u>Party Voted For in Last Election</u>						
	<u>Labor</u>	<u>Pro- gres- sive</u>	<u>Con- serva- tive</u>	<u>Chris- tian Party</u>	<u>Center Party</u>	<u>Soc. Left</u>	<u>Lib- eral</u>
Would vote the same	81	63	74	69	71	71	57
Might vote for another party	9	24	15	12	16	20	33
Would definitely vote for another party	3	10	3	1	4	5	
Would not vote	1		2	2	1	3	
Unsure	7	3	6	16	9	2	10
Sum in percentages	101	100	100	100	100	100	100
Number responding	299	29	248	72	48	41	34

6578

CSO: 3639/139

SOME EX-SECRETARIAT MEMBERS RETURN TO PS FOLD

Lisbon TEMPO in Portuguese 23 Jun 83 p 1

[Text] Twenty four socialists who supported and approved the former Secretariat's motion ("A Strong Party, A Clear Plan") at the last congress drew up a paper in which they clearly express their support for the motion Mario Soares will put forth at the next PS [Socialist Party] congress.

Orlando Magalhaes, Gomes Fernandes, Martinho da Fonseca, Orlando Gaspar, Asuil Dinis, Julio Faria, Jose Saraiva, Liduino Borges, Castro Gil, Eduardo Moutinho dos Santos, Rodrigo Oliveira, Benjamin Ferreira and Jose Vieira are among those who support this paper ("Widening the Dialogue, Strengthening Unity").

These socialists belong to the PS's Porto District Federation. We quote from the last point of their paper:

"Because we are sure that many comrades who supported the "A Strong Party, A Clear Plan" proposal at the last congress feel this way and that many others who at that time took on other commitments but who have the same concerns and want the Socialist Party to be strengthened as we do, we appeal to the PS militants in the district--despite the disagreements and differences each person may have at the national and sector level regarding specific points contained in comrade Mario Soares' motion--to solidify support for his motion by drawing up and being part of a list of delegates that reflects the makeup and qualities of the militants."

9935

CSO: 3542/155

POSSIBLE REVOLT WITHIN PSD RANKS

Lisbon TEMPO in Portuguese 23 Jun 83 p 1

[Text] In political terms, the biggest problem the government faces at this time has to do with the situation in parliament where PSD [Social Democratic Party] deputies could be preparing to prevent [the coalition] from having a two-thirds majority. This legislative power will again go to the president of the republic, TEMPO learned from a reliable source. Well informed sources admit there may be 20 PSD deputies ready to boycott the government and make its administration impracticable. The chaotic situation Portugal finds itself in is thus made worse (see editorial). Those 20 deputies are being identified. It is already known that there are five who have clearly and firmly stated in public they are followers of former prime minister Pinto Balsemao. If the 20 deputies walk away from their obligations toward the party leadership, the PS [Socialist Party] PSD majority will lose the two thirds it has which permits it to pass laws without obstruction from the president of the republic. The PSD leadership is carefully studying the situation in order to control it. Diplomats in Lisbon said that if there is no unity around the government in parliament, Portugal will enter an intolerable economic and financial situation. Foreign and domestic investments will not occur. The departure of escudos overseas will accelerate and the coalition will not be able to govern. Emigrant remittances will be small because of the instability. Those deputies, who were directly elected by the Pinto Balsemao leadership in Montechoro, will be responsible for what happens to the nation. When we contacted PSD sources, they appeared convinced they will reach an agreement with the "rebel" deputies so that the government may be able to apply its program. There are no difficulties within the Socialist Party except for the attitude of some UEDS and ASDI deputies as well as others who are subject to the influence the president of the republic continues to have within the democratic parties.

9935

CSO: 3542/155

SWEDEN, NORWAY SIGN MATERIEL REPURCHASE AGREEMENT

Oslo AFTENPOSTEN in Norwegian 7 Jul 83 p 5

[Text] "The Swedish-Norwegian repurchase agreement for military equipment has reached a stage where we see no reason for any more negotiating meetings. At the moment, therefore, we are mainly busy deciding when and how the agreement can be put into effect," Acting Business Director in the Defense Department, Thor Mellin-Olsen, reported to AFTENPOSTEN.

The background of the agreement is -- from the Norwegian side, at least -- that the Norwegian military buys more from Sweden than the Swedish military does in Norway. There is an imbalance in Swedish favor. The aim is to use Norwegian purchases on the other side of the Kjonen mountains as a "lever" to insure contracts for the Norwegian defense industry.

AFTENPOSTEN's understanding is that this has not been easy. The Swedes can count on a series of Norwegian orders in the future no matter what -- with or without an agreement.

Coast artillery cannon are on order from Bofors, antimissile missiles of the Robot 70 type with the accompanying radar equipment for the army. Norway has also already taken option on a significant number of tracked vehicles from a Swedish deliverer.

And at present, purchase of a Swedish radar is being considered for the Hawk anti-aircraft missiles that are earmarked to be installed on Norwegian airfields.

Thor Mellin-Olsen, who is in the Materiel Section of the Defense Department, does not want to give further information right now on the contents of the agreement. He says that negotiations of a draft have been completed and that there will now be discussions on the final touches before the political negotiations finally begin. Early in fall everything can be ready, he said.

In the meantime, the department is preparing the initiation and the practical application of the repurchase agreement.

9124

CSO: 3639/140

MINISTER DOUBTS FEASIBILITY OF LEASING SUBMARINES

Copenhagen AKTUELT in Danish 21 June 83 p 14

[Article by JJK: "Possibilities of Leasing Submarines Poor"]

[Text] Minister of Defense Hans Egnell (C) does not think that the outlook for leasing submarines for the Danish naval defense is very bright.

In a response to Social Democrat Knud Damgaard, the minister said that Denmark has made an inquiry with seven countries in order to investigate the possibilities of leasing submarines but most of the answers have been negative.

Only West Germany and France are in a position to rent out submarines but the West German ones are so worn out that they would need costly modification and the French submarines, which are of the Daphne class, will cause serious maintenance problems and induce unacceptably high operating costs, in the defense minister's opinion.

Knud Damgaard is not happy with the answer from Hans Engell.

"The situation being that there has been a different approach to the different countries by submitting the inquiry through the ambassadors to some and through the NATO military committee to others could very well be an indication that this was done by design in order to receive a negative response," says Knud Damgaard.

"I now want to submit a supplementary question about the contents of the inquiries. But if it turns out that the submarines cannot be leased, the Social Democratic Party's position will continue to be that we will not have any submarines," says Knud Damgaard.

Denmark's situation of having submarines that are partly outdated will now be taken up in a special committee of 11 people from the parties in favor of defense.

9583

CSO: 3613/140

FIVE-YEAR PLAN FOR CIVIL DEFENSE ORGANIZATION EXAMINED

Copenhagen BERLINGSKE TIDENDE in Danish 4 Jul 83 p 9

[Commentary by 'Monitor': "Civil Defense Priorities"]

[Text] The newly published report from the Civil Defense Organization about developments in the next 5 years has led to a public debate about the future of civil defense. Monitor has looked at the report and at the crisis in civil defense. Monitor is far from agreeing with the organization in its complaint about the unfavorable timing and the politicians' craftiness.

Civil defense [CF] is in trouble. This is the Civil Defense League's message from the National Council meeting to today's press and especially from the report from the Civil Defense Organization about developments in the next 5 years. The aim of this "CF Statement 81" is, as league president Sheriff Niels Elkaer Hansen has expressed it, "to influence political decisions which will be made in the fall regarding the future development of civil defense."

It comes forth in the report that the warning system is outdated, that there are too few shelters, that there is need for the training of a CF corps, that the preparedness for chemical warfare must be strengthened and so forth. How this can be accomplished is outlined in four different development plans for the coming years. The first one is about the development based on the current appropriation level which, according to the Civil Defense Organization, means that very modest funds can be appropriated in high priority areas. The remaining plans presuppose, respectively, 10, 15 and 30 million kroner more a year.

Regardless of what one might otherwise think about the plans submitted, there is an increasing and growing choir of public institutions whose main contribution to the social debates are complaints about the unfavorable times and the politicians' craftiness. The organization would have served the debate and its own interest better by concentrating on how to attain maximum results under these economic conditions. It is exactly that, for that matter, which was asked for from the last government. When looking at the government's clearly stated efforts to curb the growth of public expense, there is nothing that indicates that this presupposition would have changed with the government.

It will, on the other hand, be admitted that the previous government put some restrictions on the possibilities of a fundamental change in the priorities of the resources for civil defense when it was decided that the prerequisite for the planning efforts was that "there would be no cutback in the activities of the Civil Defense Corps."

In this prerequisite lies the greatest hindrance for a thorough debate of the problems of civil defense. If the indicated shortages are to be remedied, it is impossible not to weigh the relationship between the great peacetime preparation and the acquisition of materiel and between the preventive and the remedial measures. Salaries alone for defense duty in the CF corps amount to 41.5 percent of the corps' operational budget and 29 percent of the total civil defense operation expenses. A considerable reduction of service time and, as a result thereof, a reduction in the CF corps peacetime readiness would thus be a considerable contribution to the solution of the problems of civil defense in other areas.

This is, of course, a suggestion that will not cause strong opposition. It is in conflict with the idea about "the living civil defense" and of course against the personnel interests of the permanent staff. But what kind of situations directs the tasks that CF has to handle?

CF trains draftees, maintain preparedness for catastrophes in peacetime and yields supplementary mobile aid to local civil defense in wartime. That last mentioned is the main task and the basis for the corps' existence. The length of military duty is, however, to a high degree decided by the compulsory military service time than by the need for civil defense. But this "principle of justice" does not have to be the deciding factor, especially not when many draw a number exempting them from military service and do not serve in the military at all.

Most of the functions that are taken care of by those on military duty in civil defense are so simple that they can be mastered in a much shorter time than the 8 months, which is the current military service time. Comparison with compulsory military service is not relevant on this point either. International comparisons show also that Denmark is one of the countries in Europe which has the longest time of service in civil defense.

A reduction in the service time will, however, mean a considerable reduction in the peacetime preparedness which civil defense greatly emphasizes. But that cannot be the main concern on which the reorganized priorities of the tasks will be based. If a reduction in service time leads to an unacceptable weakening of peacetime efforts, this problem must be solved separately. Several of the corps' peacetime tasks could be transferred over to the local firefighting units and Falck which have extra time capacity. The problem is just an appropriate organization of this capacity. Potential need for extra resources would be minimal in comparison with the savings in the CF corps.

The main tasks of civil defense are and will be tasks in wartime. A reduction in the time of service will not reduce the strength which can be mobilized on account of the reserves and therefore will not decrease the need for compulsory military training. But when this proposal was realized in

general, the reason was not the work of the committee but the government's need for savings in one of its many savings rounds.

As mentioned, the previous government decided that there would not be a cutback in the activities of the CF corps. It is this presupposition for the planning work which the minister of the interior now must end if she wants a thorough discussion of the future possibilities of civil defense. Then she could ask her officials to find the report from the Administration Department from 1975, dust it off and attach it as a supplement to the CF Statement 82." A sensible combination of the two documents will formulate an excellent basis for war but on the other hand provide the economical means for a more effective solution of these tasks.

There is nothing new in this. In fact, 8 years have passed since these ideas, along with a series of other proposals for rationalizing civil defense, were presented in an ideally clear report from the Administration Department. Almost none of the proposals were implemented, and the result was that they were buried in extensive committee work. It became a textbook example of how sector interests can be mobilized in defense of the existing ones while rethinking is not an interest that can be organized in a corresponding manner.

The only more far-reaching proposal to be carried through in the mobilizing resolution was an extension of the number of year classes to be called up in the next months.

9583

CSO: 3613/140

BRIEFS

CIVIL DEFENSE ORGANIZATION CRITICIZES--The Civil Defense Organization reckoned without its host when it recently made preparations to abolish the Civil Defense Ambulance School in Naestved. The abolition was to have ensured a savings of 2 to 3 million kroner. Now Minister of the Interior Britta Schall Holberg reproaches the organization for being so quick in making plans. As it happens, the Folketing's Finance Committee later said no to having the ambulance school abolished. "We had assumed that the Finance Committee would agree to the plan," says the director for the Civil Defense Organization, Ole Forsting. "All preparations had been made for it to be implemented immediately." There are only people from the military service who are trained at the ambulance school in Naestved while similar training is conducted for volunteers in seven regions by the civil defense. The Civil Defense Organization would have saved 2 to 3 million kroner on the school in order to obtain funds for improvement of the warning service and for a new information brochure that will be distributed until August. [Text]
[Copenhagen BERLINGSKE TIDENDE in Danish 7 Jul 83 p 7] 9583

CSO: 3613/140

MILITARY

GREECE

AIRCRAFT PURCHASE BIDS EXTENSION

Athens I KATHIMERINI in Greek 9 Jul 83 p 2

[Text] The commission, which has undertaken the handling of the famous subject of the purchase of military aircraft, has asked the manufacturing firms for a 3-month extension of their bids as well as the purchase financial terms.

This means that there is a serious impasse in the matter of the purchase of military aircraft, both because it is connected with that of the bases and because there are disagreements in the choice of the type or types of aircraft that are to be purchased in the end.

It appears that this serious matter is delayed indefinitely for the time being.

9731

CSO: 3521/371

MILITARY

NORWAY

NORTH NORWAY NAVAL COMMAND ASKS GUIDELINES ON USSR VIOLATIONS

Oslo ARBEIDERBLADET in Norwegian 4 Jul 83 p 3

[Text] The Northern Norwegian Defense Command has asked the central authorities in Oslo for guidelines on how to react when Soviet ships come too close.

The background for the request is an episode in international waters at the Tromso Floe last weekend when a Soviet submarine lay on the surface close to a Norwegian civilian ship that was making seismic investigation for Statoil, according to a report by AFTENPOSTEN.

The Soviet submarine, which was of the Foxtrot class, lay so near the seismic activities that the personnel on the Norwegian ship perceived the situation to be unpleasant. The submarine moved a distance away when one of the Coast Guard's ships appeared.

Soviet surface vessels also tracked the seismic investigations -- two so-called Elintships that resemble trawlers but that have electronic surveillance equipment on board.

It is not certain whether it is this submarine that was sought later in the week in Andsfjord. According to AFTENPOSTEN, the naval vessel KNM Narvik had sonar contact with a foreign submarine of Andoya for three quarters of an hour Wednesday.

The contact was made when the submarine was one and a half nautical miles beyond the base line in the outermost Norwegian waters. The foreign undersea boat lay at a depth of 70 meters in the area where the ocean depth varies from 390 to 410 meters.

9124

CSO: 3639/140

POLL FINDS RECORD BACKING FOR MILITARY DEFENSE

Oslo AFTENPOSTEN in Norwegian 4 Jul 83 p 3

[Article by Alf Seeland]

[Text] Eighty-seven percent believe Norway should have a military defense force. This record high mark was measured by Norges Markedsdata for FOLK OG FORSVAR during March and April. Support among the young has risen from 70 to 79 percent, while the 30-59 group has the highest score with 90 percent. Men are 91 percent positive for defense, women 83 percent.

Only six percent think that the country does not need a defense force, while seven percent are uncertain or don't know.

It is noteworthy that among the political parties, support in the Red Election Alliance is all the way up to 79 percent, and the Socialist Left's sympathy for the military has increased from 63 percent last year to 69 percent this year.

Otherwise the changes are minimal in the political parties. Labor Party voters are even with the country's average, 87 percent. The Conservative Party has mustered 95 percent of its voters favorable to the military, the Christian People's Party 83 percent, the Center Party 96 percent. For the Liberal and the Progressive parties, the figures are 86 and 88 percent respectively.

71 26

NO: 3639/140

RETIRING NORTH NORWAY NAVAL CHIEF WORRIED OVER FUNDS CUTS

Oslo AFTENPOSTEN in Norwegian 2 Jul 83 p 9

[Article by Knut Falchenberg]

[Text] "The operational period of the navy may possibly be 40 percent below actual need next year, thereby causing a serious weakening of the country's ability to meet an attacker on the sea. If no extra operational funds are granted, several of our ships will be sent to drydock," the retiring naval chief for northern Norway, Reidar Berg, said as he lowered his commander's flag Friday. The navy also lacks critical spare parts.

"The ordinary seamen are just getting better and better. And the personnel in the naval forces show consistently such strong will to do a good job that I am tempted to use the word, "fantastic," Rear Admiral Berg said. On Friday he was relieved by Rear Admiral Torolf Rein as naval chief in the north and will himself after this direct the Defense Academy in Oslo.

Apart from the praise of the personnel, Berg drew a strikingly bleak picture of the situation. He had decided to call a spade a spade -- as he puts it -- when he met the press Friday on board the frigate KNM "Narvik," which just had ended this week's submarine hunt in Andefjorden.

"Our ships are beginning to wear out, both in number and quality. It is true that we will get six new submarines some time in the 1990's. But today we have 14 submarines, and the need is for at least ten more. A submarine can only be in one place at a time, and six new submarines cannot meet the need for both an invasion force and for defense of the supply lines along the coast.

"The better part of the rest of the ships are beginning to show signs of age and will have to do service long past their normal time. This would have been well and good if we had received enough money for maintenance, but we haven't. Our mine sweepers have nine lives and continually rise up from the dead. Today

we already lack spare parts, and critical spare parts as well," Rear Admiral Berg said.

"And just as we lack funds for maintenance, we also lack money for investments. We have no opportunity to modernize the country's frigates to the extent we would like," he said.

There is also a lack of operational funds, and the consequences are clear. The operational budget has been reduced, and if an extra 32 million kroner is not added this year, the drydocks can be put into use. Next year the presence of naval vessels in northern Norway will have to be reduced. We informed the Defense Chief early on what is needed to maintain the operations at a satisfactory level, and we received an encouraging answer. But now we have been informed that we must go far below the requirement for the number of operational weeks next year. In the worst case, the reduction will be about 30-40 percent of what is necessary to meet the needs," the naval commander in the north said.

"We are small, and our chances lie in maintaining operations and tactics at a high level. To shift the maneuvers to the "splashing pools" in the south cannot replace the northern Norwegian reality in the sea," Berg said.

He puts the blame for the disaster on the politicians: "I worked quite a bit with long range planning earlier, and I know that political know-how must be used when it is said that we cannot afford to replace the equipment that was once given to us as armament assistance from the U.S. The percent calculation that is used in the defense budget does not agree with reality: either -- our people know that they are not getting real price compensation. The so-called real growth of three percent is in reality much lower, Berg claims. He thinks it was too bad Denmark was criticized in NATO for its zero growth: "The least at least give full price compensation in their zero growth budgets, but they possibly do better than we who just talk about real budget growth."

"When the arms assistance stopped, the Labor Party government and Defense Minister Harlem started out with four percent real increase. Everyone knew that this was necessary to keep a natural renewal going. Then came the misery with the socialistic government when Otto Grieg Tidemand as defense minister wanted to achieve the same thing with 2.5 percent growth. They started a spiral that was difficult to get away from," Berg pointed out. In all these years the Defense Department has "lost" a total of 20 billion kroner, according to Berg, and this is the root of the problem.

Berg said that the organization of the Defense Department was too centralized, controlled by a central control that enslaves the active military units. "The budgetary system should be loosened up," he said.

He also mentioned the civilian support of the Defense Department. "The support is excellent in the polls. But when it comes to actual support, it is not there. For several decades attempts have been made to build a civilian reserve, but local resistance has prevented this. That is why, as Belgium and Holland have strangely enough been able to do, we have not been able to build a civilian reserve."

such ranges," Berg said. When the navy asks the Pilot Department to maintain the ability to pilot in special shipping lanes in case of war, the answer is that the Defense Department must pay the bill. And many other examples can be found, according to Berg.

He also said that the supreme commander in northern Norway, who today is always an army man, should also be chosen from the other defense branches. There is still much work to be done to solve problems of coordination with NATO's sea forces, and an admiral as supreme commander can accomplish this more easily. "One should let the top job rotate every other year," Rear Admiral Berg suggested.

VILL

NO: 19/11/77

INCREASED ECONOMIC ACTIVITY SEEN AIDING SVALBARD SECURITY

APPROXIMATELY 20 Norwegian 28 Jun. 83 p. 1

Article by Theodor Andreassen]

[Text] "We have done too little to promote economic activity on Svalbard. But not the Russians. They are stepping up their activity in the northern areas. We cannot sit with our hands in our laps as passive observers of this development. This opinion was expressed by the former Storting representative and spokesman for Svalbard, Alfred Henningsen, to AP EXCLUSIVE.

Henningsen calls for the utilization of the economic potential of the country. Increased activity also means that the Norwegian island group will be strengthened," Henningsen said.

Henningsen is a member of the board of the Svalbard Development Fund, Inc. This is a new company that was established to promote economic activity on Svalbard for the next five years to secure for sustainable economic development. The company has given several grants to various projects. Among other things, it will be used to finance the development of the power in the island group. Henningsen served on Svalbard for 10 years. He has seen many foreign companies come to Svalbard and he has seen many significant projects. He has seen the development of the island group and he has seen the development of the power in the island group. Henningsen is a member of the board of the Svalbard Development Fund, Inc. This is a new company that was established to promote economic activity on Svalbard for the next five years to secure for sustainable economic development. The company has given several grants to various projects. Among other things, it will be used to finance the development of the power in the island group. Henningsen served on Svalbard for 10 years. He has seen many foreign companies come to Svalbard and he has seen many significant projects. He has seen the development of the island group and he has seen the development of the power in the island group.

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that people are willing to start new activities on Svalbard, Henningsen said.

The magazine KAPITAL is skeptical of Nordisk Polarinvest. "Who is fooling whom?" the magazine asks. It characterizes the company's plans as a treasure hunt. "That is an adventure it is. If one signs up for a half percent share in the company, one is in the course of the years 1983-1987 obligated to pay in five times 10,000 kroner on a total amount of 1,017,500 kroner. With a marginal tax of 50 percent, the tax savings will amount to a total of 508,750 kroner, or almost double the amount paid in. In this example, the state pays the total amount of 508,750 kroner, a 'bonus' of a corresponding amount. The investor can therefore be completely indifferent to how things go with the company. He cannot under any circumstances be billed for more than the planned payments," KAPITAL writes.

What about the environment, national interests or the project's tax advantages?"

"That is not our concern," one of the initiators said, the lawyer Trygve Fjeld, Jr.

Does the project really claim that the project is a tax dodge?"

"No, it is not a tax dodge. It is a legal tax procedure. They are being 'put together' in a way that is not possible for the limited partners, the initiators will receive the full tax advantages from the realization of the project. The project is not being used openly as a pure ordinary instrument in the building fund projects, tax deductions, pension and similar things are advertised," Trygve Fjeld, Jr. claimed.

DETAILS ON MILITARY FORCES IN MADEIRA

Lisbon O DIA in Portuguese 24 Jun 83 p 8

[Excerpt] The "First Madeira Military Week" organized by the office of the chief of command of the region's armed forces is underway in Funchal. It began Monday and will end Sunday with a military parade.

This initiative is aimed at raising the awareness of Madeiran public opinion toward the many aspects of the activities of the armed forces; units and organizations headquartered in Madeira and of the region's military history. This follows the efforts that have been made, particularly since 1974, especially through research and the publication of works on this subject.

The "maritime tours" and the "flight initiations" stand out in the program of the events that will take place with the collaboration of the Naval Command and the air force detachment. These events are aimed at students from the region's different schools.

A military exhibit, visits to Madeiran units and a conference dedicated to the theme "the armed forces and civil defense" are also included in the program.

The Madeira military structure is basically based on a chief of command (in accordance with the legislation now in effect, he must be a general officer) who, because of his functions, commands the army, air force and navy forces stationed in Madeira.

The chief of command of the Madeira armed forces is directly responsible to the JCS (JCS) of armed forces general staff. Under special circumstances, when the chief of command is absent, he may also assume command of the military police, the Security Police and the Fiscal Guard.

There are army units and one air force and navy detachment stationed in Madeira with their own structure and command.

The Regional Infantry Regiment, the Garrison Artillery Group and the Territorial Reserve (military police) are the main army units. There is also a military region district, the Financial Management Center and the general headquarters which is also the military governor's official residence.

Authorized sources revealed yesterday that the contingent of the military police, with 100 officers and other personnel.

RESERVE OFFICERS IN CAMPAIGN TO COUNTER PEACE GROUP STANDS

Oslo AFTENPOSTEN in Norwegian 4 Jul 83 p 3

[Article by Liv Hegna]

[Text] The reserve officers in Sweden have started a campaign to clarify the significance of the military in disarmament and detente policies. "We want no confrontations with the peace and womens' movements, but we think that we as reserve officers have special qualifications to express ourselves on the horrors of war. "Of course this must be done in a sensible way," Erik Linden, a member of the Executive Committee of the Swedish Reserve Officers Association, said to AFTENPOSTEN. Linden is a member of the recently orgainzed movement, "Officers for Peace," in Sweden.

Erik Linden took the initiative himself at a meeting in Katrineholm to get reserve officers to distribute information, particularly to schools and in womens' movements, on how the actual situation will be during a war in order to show that the "No to Nuclear Weapons" approach to the problem is much too simple to enable people to grasp what a modern war will be like.

Linden explained that originally there was a group of reserve officers that "had gotten tired of all the occupational groups going out and declaring themselves for peace." "After all," he said, "the largest peace movement in our country is the military." He also cricized the Swedish military itself for remaining passive when it should explain the peace alternative it represents.

"Disarmament and peace movements are important -- we are not against them -- but they must be based on a sensible policy of relaxation of tensions. We think that the military point of view must be expressed more in the debate. Therefore we have formed the group, 'Officers for Peace.' We will be happy to provide lecturers for schools and organizations. Since the Soviet submarine ran aground in the Swedish archipelago, the attitude toward the military has shifted a little in Swedish opinion. It is easier to come forward with information now," Linden said to AFTENPOSTEN.

The newly started Swedish movement, "Officers for Peace," has no form of action. It is rather a movement that aims at making up for some of the lack of information the reserve officers think the military itself is guilty of. "We are going slowly and carefully."

"We do not want direct confrontation with the other peace movements. All we want is to make the debate a more reasonable one," Erik Linden stressed, as he added that the "Officers for Peace" have received good support among the reserve officers in Sweden.

9124

CSO: 3639/140

AR AIRCRAFT ENGINES DEVELOPED; SPARTACUS TWIN-ENGINE PLANE COMPLETED

First All-Italian Turboprop Engine AR318

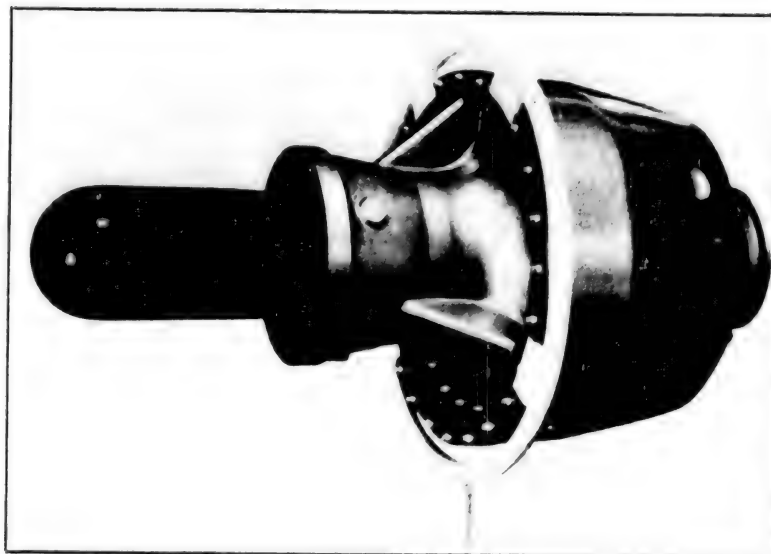
Rome AVIAZIONE in Italian Jun 83 pp 374-376

[Article by Enrico Ferrone: "Alfa Romeo Avio's New Projects--A Turbojet after the Turboprop"]

[Text] The TJ-140 jet engine is intended principally for applications on remote-guided aircraft--The AR-318's contribution to the designing of this new motor.

Pomigliano d'Arco--The penalty that Italy has suffered because it lacks engine production of its own, for aeronautical construction, has definitely put it in a disadvantaged position in the world markets. Development of the industrial company, which on the other hand is characterized by the international division of production, makes those countries that have an advanced technological level tend toward seeking a diversified and appropriate production position. In the aeronautical field, the level of specialization within the EEC has proved inferior to that of the United States, though it maintains a positive trend in production, especially in the area of aircraft components. However, the formation of consortiums capable of competing with the American industry has definitely had a great deal of influence on progress in the level of specialization, ensuring to the European products the markets that fall within the framework of the collaboration.

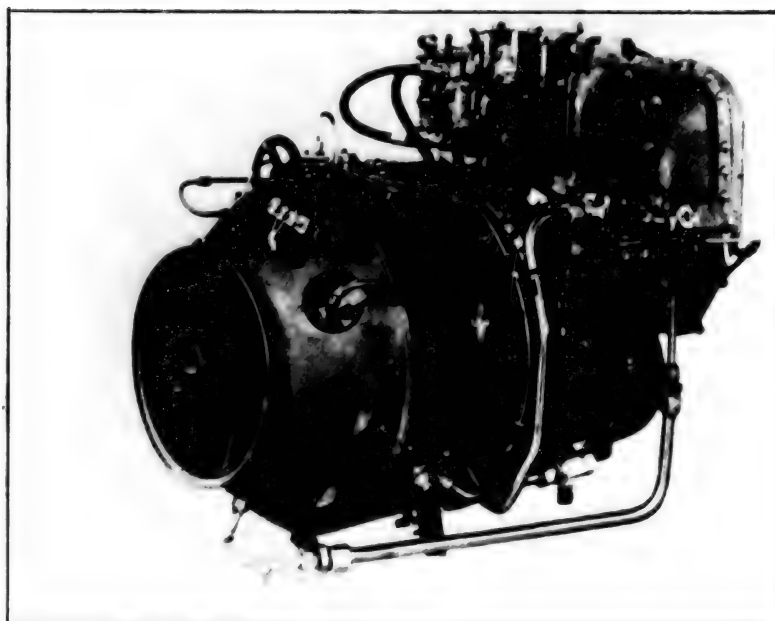
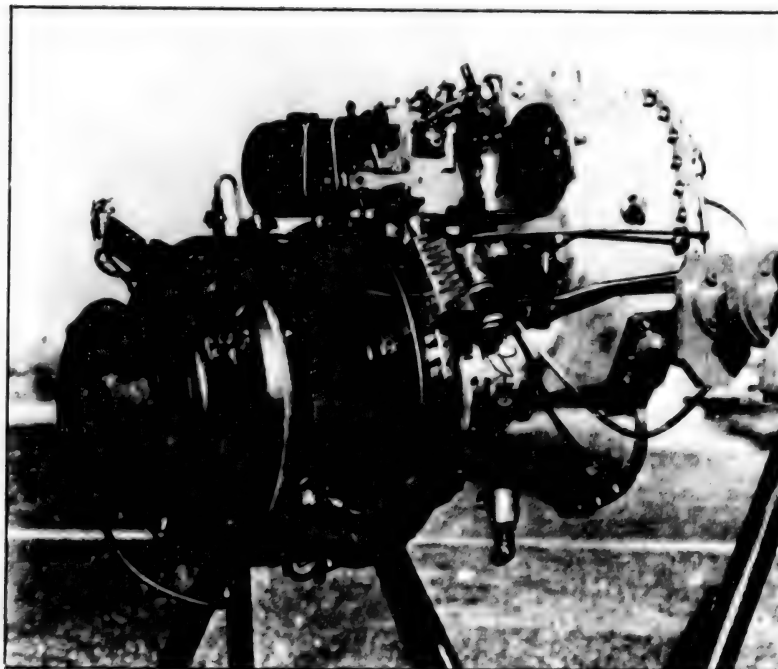
As regards Italy, its aeronautical industry holds, in terms of the amount of its billings, the No 4 rank in Europe, with a constantly growing number of personnel employed and with a particularly well-developed airframes sector, which accounts for 62 percent of total billings as against 17 percent for the engines sector, which has 15.8 percent of the technicians and skilled workers. Alfa Romeo Avio holds a strong position in the aviation-engine industry in Italy: in its establishments at Pomigliano d'Arco, 15 km east of Naples, with an area of 200,000 m², 1,500 employees and 500 technicians work in the overhaul and production sectors, at the same time developing studies and experimentation with firms such as General Electric, Rolls-Royce and Pratt & Whitney. A few minutes drive from Alfa Avio are Aeritalia and Partenavia: both of them--the former with the G-222 and the latter with the successful P-68 family--involved in building airframes for aircraft powered by propeller engines. Therefore, the decision by the Pomigliano firm to carry out to com-



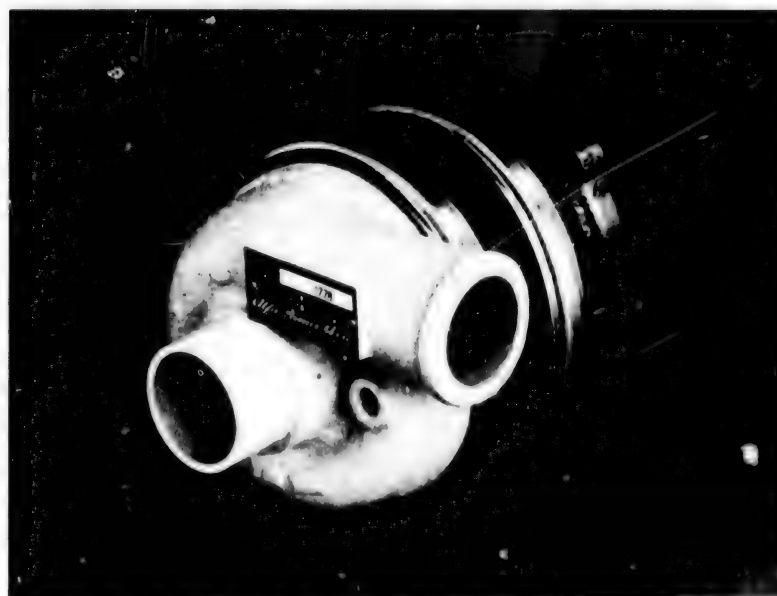
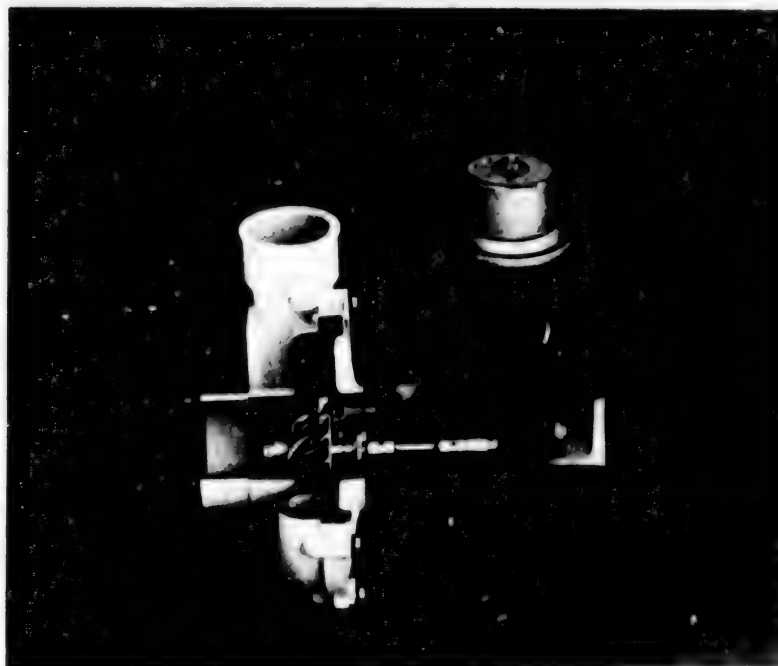
Wooden mockup of the AR-TJ-140 jet engine, the latest product from Alfa Romeo Avio

pletion the program that was initiated with Rolls-Royce but from which it has completely separated has appeared an automatic transition in a logical chain. The end result of this continual technological osmosis has been a positive one: next year, the AR-318 turboprop engine, with its certification, will be the first new entirely Italian aeronautical engine to be put on the market. The Spartacus, the latest product from Partenavia, will be, if fitted with the two AR-318's, the first airplane built entirely at Naples. For a city that has deep roots in this sector, dating all the way from 1910, when the monoplane Napoli 1 flew in its skies, it is a specific confirmation of its affirmation--one which, on the other hand, has its cultural foundations also in an aeronautical school in the Enrico Fermi Technical Institute, in the university, in the aeronautical academy.

On the basis of the knowledge acquired for development of the AR-318, another program has been worked out at Alfa Avio. Thus was the AR-TJ-140 born--a jet engine weighing about 44 kg, designed for fitting on remote-guided aircraft of the Mirach-100 type from Meteor or small jet aircraft (minijets) of the Caproni Vizzola C-22J type. The engine, which has thrust of 140 kg, has, in its design, a single-stage centrifugal compressor of aluminum with a combustion ratio of 5.4:1, a backflow annular combustion chamber, with the fuel auto-atomizers and a single-stage axial turbine with the impeller made in a single piece. The particularly reliable control system is digitally programmed.



Two pictures of the AR-318 turboprop engine



Experimentation in the turbines sector put to use by Alfa Romeo Avio: the TC-2000 tubocompressor (top) and the TC-1000 (bottom).

The special characteristics of the engine are certainly the highly competitive weight-to-power ratio and the specific consumption--1.14 kg/kg per hour--which make it a sure thing for fitting on the class of aircraft for which it has been designed. Another quality that confirms it as suitable is that it could also be used without any particular difficulty at powers higher than what has been ensured so far. Furthermore, its price is competitive; though it is a new engine, the AR-TJ-140 takes advantage of a component reliability guaranteed by the fact that these components, being largely the same as those of the AR-318, have already done thousands of hours of functioning on the component test benches of the experimental center, which, like all the other installations, is situated at Pomigliano. Moreover, its resemblance to the AR-318 guarantees its test approval with big savings in the manufacturing phase, though still leaving it a new engine. The AR-TJ-140 thus differs from the AR-318 by the fact that it does not have the main gear box and that it has a single turbine disc, whereas the Pomigliano firm's turboprop engine has two.

The idea of such an ambitious project was born in Alfa Avio more than a year ago, when its technicians worked along with those of Meteor on optimization of a motor for remote-guided aircraft, the Mirach 100. The result was that they achieved an engine with performance characteristics higher than those of the current French turbojet fitted on the aircraft, in terms of thrust, with an increase of 30 kg, but also in terms of weight. Other modifications of the AR-318 so as to reduce it to a jet version had to do with dimensions, with the maximum bulk of the engine reduced for its position in the airframe. The first prototypes of the models that will run on the test benches in the coming months are being fabricated. The first appearance of the AR-TJ-140 took place on the occasion of the Le Bourget exposition, at which a full-size mockup and also some of its components were presented.

In parallel with the now-concluding designing of the AR-318 and the already advanced designing of the AR-TJ-140, Alfa Avio is going ahead on other interesting programs. One of them is the AR-TJ-900, a turbojet engine with thrust of about 1,000 kg intended for antiship missiles and capable of providing speed close to twice that of sound. This time too, the acquired experience is being put to use at Alfa Avio: thanks to the hours spent in design, production and overhaul in the aeroengine sector, the Pomigliano firm has succeeded in building up useful experience in the turbines field, developing, with computer programs, impeller sets for high-efficiency turbines and compressors. Thus have the AR-TC-2000 and AR-TC-1000 turbocompressors been created--designed, together with a specific one for competition use, for fitting on automotive engines. The AR-TC-2000 was the first turbocompressor to go into production, with applications on medium-displacement cars burning both naphtha and gasoline. It weighs 6.7 kg and has a maximum length of 177 mm, for an engine power of 80-130 HP for diesels and 100-160 HP for controlled-ignition engines, with 3 atmospheres as the maximum pressure achievable at 140,000 RPM. The AR-TC-1000 is smaller, and is designed for medium to low-displacement engines, with the aim of minimizing acceleration lag. It is for engines with power of 40-80 HP for diesels and 50-100 HP for controlled-ignition engines, and it too has a maximum achievable pressure of 3 atmospheres, at 200,000 RPM. Its maximum length is 170 mm and it weighs 4 kg. Coming out

also is the AR-TC Formula 1, which is being fitted on the single-seat Alfa Romeo Euro Racing, the 8-cylinder capable of developing 600 HP of power, and very useful for determining the limit operating conditions. The supercharging now common in the automotive field does not constitute a sophisticated accessory but rather represents a technical solution for achieving lower fuel consumption and better performance characteristics without resorting to increases in displacement. The solutions adopted by Alfa Avio in this field have been the result of fluid-dynamics experimentation: for example, adoption of the back-slope configuration for the impeller--that is, with the blades made partly with a reverse inclination.

These experiments in the automotive environment, the Pomigliano firm assures, have constituted a favorable test bench that opens up the way to other ventures, both within the Alfa Romeo group and also with other firms interested in these kinds of collaboration. Alfa Avio, specializing in fabrication activity in the hot part--that is, combustion chambers, turbine discs and blades, exhaust units, afterburner sets--works on commission from the big international industrial groups but also lives its own life in the overhauling of turboprop, turbopan and turbojet engines--more than 20 different models of them--for the Italian armed forces and for Alitalia, for which it is the main logistical technical support base, and for many foreign customers, both civilian and military, working also on oil pumps, thermocouples and fuel-control units.

Specifications for New Turboprop Aircraft Spartacus

Rome AVIAZIONE in Italian Jun 83 p 409

[Article: "First Data on the Spartacus"]

[Text] Naples--The painting and application of the make markings on the Spartacus, Partenavia's twin-engine plane with turboprop motorization, have been completed. The Spartacus--not very different in its geometric dimensions from the P-68C--has a wingspread of 12 meters and wing surface of 18.6 m², and is 3.65 m high and 9.7 m long. Its cabin is 2.97 m long, 1.2 m high and 1.13 m wide. In contrast to all the other versions of the P-68, the Spartacus has a cockpit door that enables the pilot to enter easily. It weighs 2,970 at takeoff and 2,600 at landing; it can carry up to 664 kg of fuel and has a useful load of 965 kg and payload of 726 kg. It is powered by two Allison 250-B17C turboprop engines of 330 HP, to each of which is fitted a reversible-pitch Hartzell three-blade propeller with a rotating diameter of 2.032 m. It has an independent fuel circuit for each engine, with possibility of cross-functioning from two interconnected tanks with capacity of 202 gallons each. Two 150A-28V-DC starters, a 38V-DC battery, a 115V-AC/26V-AC inverter and two voltage regulators constitute the electrical plant, and the flying gear of the Spartacus consists of a dual mechanical control for the rudder and the elevator. There is a single mechanical control for trim and tabs. The flaps are controlled electrically. The firm furnishes optionally a pneumatic system for wing deicing, while an electrical deicing system is mounted in series for the propulsion group. Finally, the performance characteristics. The Spartacus has a maximum speed of 389 km/hr, stall speed of 146 km/hr with wings level and 118 km/hr with the flaps open to 35°. The

minimum control speed is 148 km/hr. The takeoff run is 386 m, while 428 m is necessary for landing. Rate of climb with both engines running is 627 m per minute, while with a single engine it is 158 m per minute. At 370 km/hr and at an altitude of 15,000 feet, its radius of action is 1,571 km; at 15,000 feet and 333 km/hr, the radius of action is 1,730 km, and at 20,000 feet and speed of 370 km/hr, the radius of action is 1,815 km. At 20,000 feet and 333 km/hr, the radius of action increases to 1,991 km. JP-1, JP-4, JP-5 and JET-A1 can be used for fueling the engines.

11267

CSO: 3528/166

NEW ENVIRONMENTAL MINISTER RAKEL SURLIEN TELLS GOALS, POLICY

Oslo AFTENPOSTEN in Norwegian 7 July 83 p 3

[Article by Alf Seeland: "Minister Surlien Believes in Environmental Revival: Environmental Protection Regardless of Economic Conditions"]

[Text] "After the Alta affair much of the urgency went out of the environment issue. We must get environmental protection back on the agenda again. This is something which is independent of economic conditions. I expect sooner or later a new wave of commitment, after we have spent 10 years repairing the damage," said the new minister of environmental affairs, Rakel Surlien, to AFTENPOSTEN. She characterizes her new political workplace as an administrative and planning department.

With 820 million kroner as the budget framework for the current year, the new minister does not have much to work with. The minister emphasized that she is not one of those who are called, in the political jargon, a "disbursement minister." And the Ministry of Environmental Affairs has had to take its share of the consequences of the harder times, and has had its budget reduced. She is not totally in agreement with that policy.

New Effort?

"Is it possible to exert new effort in the environmental sector when the economic situation is causing reduced growth in almost all sectors?"

"Environmental protection can not be decided by economic conditions. Even if we have hard times, we can not go backward. I share the optimism of my colleague Johan J. Jakobsen when he expresses the hope that it will at least be possible to hold the fort. There should not be so terribly many more disbursements before we are able to conduct a responsible environmental policy. During the 10-11 years that have passed since the establishment of the Ministry of Environmental Affairs much has been accomplished by the control apparatus with the laws and regulations that we have. I will call this period the repair phase. I am thinking about cleaning up industry and the

problems of air pollution, which we have got more under control through the Smoke Damage Council and the National Pollution Agency. That which concerns us most now is the future preventive environmental work."

Must Control

"The means of control that we have must also be used in times of economic decline," said Minister Surlien, who realizes, however, that concrete actions against economic disbursements can be damaging in a situation where other considerations seem more important. "A nearby example in which I would have preferred to have more to spend is in close environmental measures, in which the municipalities have over several years received smaller amounts earmarked for individual, close to the soil and practical measures to benefit individual citizens directly. We have also been able to support greater local test projects. It has been very important for us to have a 'kitty' to start local projects," said Minister Surlien, who sees some support in that the Conservatives' Close Environment Committee has delivered a report on making the work in this field more effective.

Sober

"Do you have limited expectations about what you can achieve in your technical area?"

"I expect that it will be possible to carry out certain revisions of priorities inside the economic framework in which we work," said Minister Surlien soberly. She wants to be temporarily reserved in concrete measures, as most new ministers are.

But on the subject of drainage she sees clear and challenging tasks. "I am thinking about the Fredrikstad, Sarpsborg, Grenland and Stavanger areas, where the municipalities have gotten together in intermunicipal companies to solve such problems. These are projects in which the Ministry of Environmental Affairs would prefer to give more support." The minister also emphasizes the importance of research in environmental work. "There is entirely too little research, something which is also related to the eco-framework," said the minister, who wants a thorough effects analysis of waterpower development.

Waterpower

"Do you have a comment on the opinion poll which shows that the great majority of the people approve of forced waterpower development?"

"I can only say that I am very surprised. In that connection I want to remind of what my predecessor Wenche Frogn Sellaeg said in her 'turnover speech' to me: 'We must put environmental protection on the agenda again!'"

I support this fully. For a long time there has been silence about environmental questions. My impression is that after the Alta affair most of the urgency went out of the environmental movement. So much of the force was taken out by this issue that it is taking a little time to regain its strength."

Automobile Plague

"But I am sure that sooner or later we will experience a new environmental wave. I am thinking especially of all the problems which are resulting from steadily increasing automobile traffic, which every fifth Norwegian already calls a plague. I think also about air pollution," said Minister Surlien, who emphasizes the importance of international cooperation in that field. She thinks it is sufficient to go the way of international conventions, without supernational governing and control.

"Former Ministers Harlem Brundtland and Gjerde disagreed mostly in the open. Do you expect duels within the government with your colleagues Bratz and Kristiansen?"

"So far there has been no occasion, but I do not exclude differences of opinion in the future. The examples that you mention illustrate, however, that there can be just as much disagreement within a one-party government as within a coalition. I do not have so much experience in national politics, but I have long understood that the interests of the ministries can often collide. Splits do not only happen between parties."

Only for Center Party?

"In an interview with ARBEIDERBLADET you said that your main wish is to be a good minister for the Center Party..."

"That is a statement that could easily be misunderstood, and I am glad to have the opportunity to correct the shortened version of what I said. On one hand I want to help the Center Party. I am not here in the government to carry out Conservative Party policies. On the other hand the government is an executive committee, where a willingness to cooperate is essential, as I have already said. There are a number of issues on which we will be careful about proclaiming fixed positions before they are cleared within the government. It must also be permitted for ministers to point out their parties' policies. But the government has a national responsibility, not only to a party."

Cooperation

"Have you a motto for your work as minister for environmental affairs?"

"It is that we should look for the voluntary way as much as possible, and cooperate with local authorities, firms and individuals before we take legal steps of compulsion and use the powers we have," concluded Minister for Environmental Affairs Rakel Surlien.

9287

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PAPER COMMENTS ON CHALLENGE FACING NEW ENVIRONMENT MINISTER

Oslo AFTENPOSTEN in Norwegian 7 Jul 83 p 2

[Editorial: "More Pliable Environmental Protection"]

[Text] When Wenche Frogn Sellaeg left her post as environmental minister one month ago, it could be confirmed that much had been accomplished during her time in office. A number of changes in the law were put through which protected the rights of the individual in a better way than before. Many of the regulations which were set up in the 70's were changed, so that court proceedings for both individuals and departments were simpler. Property rights were strengthened, and the decisions which were made in the Ministry of Environmental Affairs were no longer so controversial as before.

That is an inheritance which her successor, Minister Rakel Surlien, receives, and which we hope will be useful for her. We thought it was very positive when yesterday in AFTENPOSTEN she explained her program by saying that as much as possible she would work for the voluntary way in environmental protection. The department will use cooperation with individuals, firms and public authorities, rather than using legal compulsion and the other forceful means of control at its disposal. For our part we will add that the voluntary way is not only possible, it is also the most feasible since environmental protection has gained a strong foothold and has become, to use Wenche Frogn Sellaeg's expression, the stand of the common man.

It is so much more unreal when the opposition press also incorporates environmental protection inputs in the gamut of supposed sins of omission which the Conservative Government has committed. "Downgrading the priority of environmental policy," cried NORDLYS, which finds "a weakening of legislation and an undermining of punitive responsibility," where most of us on the contrary have seen a stronger tendency toward voluntary and fruitful cooperation. We do not believe that the common man has seen the "downgrading of priority" which NORDLYS is reporting.

The new environmental minister has an idealistic attitude toward her work, and we can understand her basic reasoning. On the other hand we must reserve judgment when she implies that environmental policy will be elevated

above economic conditions. The main problem for Norway is not environmental protection, but is the country's ability to compete. There are limits to what can be imposed on firms, hospitals and individuals in the way of restrictions for the sake of the environment. Strengthening the work for creating a better close environment must be seen against the background of how great disbursements we can afford. And continued development of hydroelectric power or not, is far from elevated over business conditions, something a significant majority of the people understand, according to a recent opinion poll.

With these reservations we give our support to Minister Rakel Surlien's definition of the department's administrative and planning role, after the "repair phase," long underway, is over.

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NEW ENVIRONMENT MINISTER WANTS SOIL CONSERVATION ACTION

Oslo AFTENPOSTEN in Norwegian 1 Jul 83 p 6

[Article by Morten Malmo: "Environment Minister Maintains We Must Invest Strongly in Soil Conservation"]

[Text] "We must invest strongly in soil conservation! Norway has much less cultivated soil than many other countries," emphasized the new environment minister, Rakel Surlien, to AFTENPOSTEN. She would not comment on the statements which many considered surprising which came from officials in her own department toward a less restrictive policy in that field. Surlien pointed out, however, that soil conservation must be covered by planned legislation, and conducted independent of economic conditions.

"It is the goal of the Center Party that the care of cultivated soil must be strengthened. We must invest in soil conservation, because the soil is such a scarce resource," said Minister of Environment Rakel Surlien to AFTENPOSTEN. She said that such a policy should apply to border areas between cultivated and uncultivated land.

It caused a certain amount of attention when department head Gunvald Gussgard of the Environmental Department, at a meeting on housing policy in Baerum recently, said that the municipality should invest more in housing construction in the border areas between cultivated and uncultivated land. In a statement in AFTENPOSTEN Gussgard based his position on the desire to create cheaper housing.

The environment minister would not comment directly on Gussgard's statements, and she believes that he has explained his views clearly enough. At the same time she points out that Gussgard's views must be seen against the background of his previous work as property chief in Baerum municipality.

Small Portion

"My opinion is that we must invest heavily in soil conservation. Remember that only 2.8 percent of Norway's total area is cultivated land. That is far less than many other countries. Japan, for example, has 13.2 percent of cultivated land, while Switzerland has 9.6 percent.

"With reference to the border areas, we must remember that these are 'green lungs' which are often used for outdoor activities and recreation, and are therefore very important for most people. For the areas in question, soil conservation must be a part of environmental protection."

Go New Ways?

"However we must be clear that our scarcity of cultivated land is due to the fact that Norway has large unproductive areas. It is here that I believe that we must go new ways, for example by more extensive intermunicipal co-operation. Whether that will succeed depends on the willingness of the municipalities to cooperate," said Rakel Surlien.

The minister does not exclude the soil conservation issue causing internal problems in the government, but she hopes that the Center Party will realize the importance of taking care of the best land we have in this country.

Strong Reaction

Minister of municipal affairs Arne Rettedal previously said about the same as Gussgard said last week, and that gave rise to strong reactions from the Center Party. The soil conservation question will be on the political agenda later this year, when the government establishes a so-called Soil Conservation Group under the leadership of Undersecretary Erik Nessheim, which will evaluate the results of the soil conservation policies which have been conducted in this country. The Center Party's Lars Velsand will also take up the soil conservation issue in the Storting this fall in a question to Environment Minister Rakel Surlien.

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ENVIRONMENTAL PROTECTION GROUP CONGRESS URGES ACTIONS

Oslo AFTENPOSTEN in Norwegian 18 Jun 83 p 9

[Article by Georg Parmann: "Protection of Norwegian Nature Must Receive Higher Priority"]

[Text] Klepp, 17 June. The national congress of the Norwegian Nature Protection Society directed sharp criticism against the nature protection policies conducted by the government during the past 2 years. In a statement it said, among other things, that the congress confirmed with displeasure that the government, with few exceptions, has conducted a weak and evasive policy on issues of nature protection. To a great extent, business interests and possibilities for short term economic profits have been decisive for the outcome of a number of issues, it said.

Two years ago the Storting dealt with a report on "Protection of Norwegian Nature." The conclusions of the report received broad support in the Storting, and the Nature Protection Society believes that the government has not shown the necessary forcefulness and desire to give nature and environmental protection the weight that they received when there was cross-party unity on them.

In the statement from the Nature Protection society a number of concrete issues were mentioned, pointing out that the government's nature and environmental protection policies are bad. Examples were the retraction of the plan law, a plan to build more huts on beaches and mountains, "softening" of the soil protection law and changes in the pollution law which transfer control functions to the firms themselves.

The Nature Protection Society admits that there are also positive signs, even though these are clearly in the minority.

North Sea in Danger

"The North Sea is getting large amounts of industrial pollution, oil and nutritive salts from agriculture and sewage. Furthermore the Norwegian coastal current is receiving massive pollution from the Oresund-Kattegat

area, from the east coast of England, the channel and the German Gulf. Our stationary kinds of fish, bottom animals and shellfish, and the breeding places for fish and mussels are receiving significant amounts of polluted water which can not be diverted. In this way environmental poison is being circulated in Norwegian food and the Norwegian environment," said scientist Morten Laake, member of the Norwegian Nature Protection Society's Poisons and Pollution Committee, in a speech at the national congress in Klepp at Jaeren today.

He said that it is now time to get an "acid rain" project for our sea areas, and he complained that the majority of our marine ecologists are not able to make the necessary health judgments.

Laake believes that the significant algae growths that we have had in our sea areas in recent years should be seen as a serious warning. Even though the growth is not directly due to the poisonous pollution, it indicates that nature's self-control has been disrupted.

Laake indicated that the North Sea can have the same problems as the Baltic or the Mediterranean, if the politicians do not learn from developments in these areas, and he said that it is time to demand an action plan for fighting pollution in the North Sea across national boundaries.

9287

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LABOR PARTY ORGAN CRITICIZES GOVERNMENT ENVIRONMENTAL POLICY

Oslo ARBEIDERBLADET in Norwegian 4 Jul 83 p 6

[Editorial: "When Nobody Reacts"]

[Text] The 70's were the breakthrough years for environmental policy in Norway. It formally began with the establishment of the Department of Environmental Protection and Resource Policy in 1972. Thereafter came years in which environmental cases gained greater and greater weight. Finally the Environmental Department was accepted as a coordinating department, with responsibilities and influence in all the government's activities.

When new thoughts and ideas break through into policy, it usually happens as a reflex of developments elsewhere in society. The pressure of public opinion has such breadth and strength that compliance within the political system comes as a natural--and for the political parties--necessary consequence.

But in order for new values and priorities, which are created through outside pressure, to hold their place and weight, it is absolutely necessary that the weight of interest and attention outside the political system also be maintained.

When a new situation arises, the debate climate is changed and attention is concentrated in other areas, then almost immediately there is a weakening of the political priority of that which previously was considered as a highly important issue.

Such a shift in people's interests and values is now taking place. After several years of "crisis" in the mass media and public debate, there has been a shift in value judgments and understanding of the tasks to more long term goals. Attention is concentrated on that which in difficult times is considered necessary management to solve the most urgent problems, while other considerations are easily pushed into the background.

Environmental protection and resource policy are areas which especially suffer under such conditions. The climate is such that burdening the en-

environment and resources is more easily accepted today than 3 or 4 years ago. When in such a situation we also have a government which has never seen it as a central task to advance environmental issues or prioritize resource policies, there must obviously be consequences.

Things have happened to environmental policy during the past 2 years which never would have been accepted by the active pressure groups and interest organizations of the 70's. In the wake of cuts in the Environmental Department's budget and revision of the pollution law, if this had happened in the early 70's we would have had a heated and aggressive debate. Probably such changes in political signals would not have been possible at an earlier time. But when the government directly or indirectly presents things as if there should be a choice between jobs or the necessary demands of environmental policy, then the desire for debate and need for criticism clearly disappears.

The government's and the Conservative Party's attitude in environmental policy is best revealed by the choices made in cases of conflict of interest. In the cases which have been dealt with this past year, it has always been the environmental considerations which suffered.

One can best see this in cases having a direct tie to the interests of industry. The pollution law is a good example. Here the responsibility reaches complete inversion. An entirely new principle is introduced into Norwegian law. In the pollution law it is now the sinner himself who will decide if he has done anything wrong.

The same attitudes are disclosed in cases of workplace environment. The latest example here is the subject of product control which came from the Municipal Department. After a long period of delay, the department has finally presented its viewpoints. Obviously the interests of industry were fulfilled on this issue. The desire for a register of poisonous substances, which had the support of all parties except the Industry Association, was flatly rejected by the department.

What is puzzling is that this can happen without creating any special reaction. The question of whether there should be a fee on plastic bags was proposed several years ago in a heated debate. Today these essential proposals which advance the struggle for a better environment and better care of resources are quietly carried back to square one, at the beginning of the last decade.

But nobody reacts?

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RAFT PROTEST AGAINST RIVER POLLUTION IN BASQUE AREA

Guipuzcoa EGIN in Spanish 19 Jun 83 pp 1, 3

[Text] The purity of the rivers and the punishment of those responsible for contaminating them were the most important demands of the 250 persons who traveled down several stretches of the Urumea and Arga Rivers yesterday in all sorts of boats. The fluvial excursions proved once again the deplorable state of the rivers, full of all manner of industrial detritus and dead animals. The participants in the second descent of the Urumea, which will end this afternoon at the Santa Catalina Bridge of San Sebastian, expressed their wishes that the proper authorities will participate on the next occasion. "Experiencing the grave situation of the river is very different from reading scientific reports about it," they indicated. Altogether, some 200 people in different boats navigated the stretch between Erenozu and Hernani, where they arrived after 7 pm.

Burlada was the point of departure for the first stage of the third traversing of the Arga, in which some 20 boats took part. Their crews were received in the barrio of San Jorge, where they joined the "Fiestas of the Sun," in which they are demanding not just a clean river, but a square.

The almost 200 youths who navigated between Erenozu and Hernani yesterday in the second descent of the Urumea completed--exhausted and dirty--their extraordinary journey with the purpose of transmitting a solemn invitation to competent authorities to take part in the third descent. "Experiencing the grave situation of the river is very different from reading scientific reports about it," they argued.

"Let the councilmen and delegates come and see this. There are no words to express what we have seen; it is truly a filthy mess," commented the valiant defenders of the Urumea, who had taken 4 hours to cover the approximately 6 kilometers between the two localities.

The rats along the banks and the dead animals that they saw floating in the river--dogs, pigs, cats and other fauna--made the "excursion" less fun than it might seem, but they reaffirmed something well known by ecologists: the Urumea is a dying river.

Between 50 to 70 boats--inflatable rafts, truck tire tubes and tubs with oars were greeted by a number of neighbors from Hernani on Karabel Bridge with the txaranga "Moskornautak." The navigators, preceded by a flag with an anti-nuclear emblem, were supplied with anticontamination masks and other masks that, in addition to the symbolic protest, probably served to avoid the effluvia that emanated from the river.

Although the DYA kept watch throughout the trip, there were only some unexpected drenchings with no further consequence. At the end, the participants were able to shower in the dressing rooms of the rugby field at Landare. They ended the festive day of demonstrating for their demands with a fiesta in the barrio La Florida de Hernani. The Etxeberri Society gave them a dinner and they concluded the day with an excursion in the town.

The organizers, integrated into the Commission in Defense of the Urumea, were satisfied with the assembly, which brought together more people than on the previous occasion, although they hope that they will not have to repeat it many more years as a demonstration of their demands for a clean river, which presents serious problems in its 52 km between Navarra and Guipuzcoa.

Both in the posters that were put out yesterday at the end of the trip and in the publication prepared for the occasion, entitled "Urumea," they denounce the destructive hydroelectric exploitation, the soot mines in Goizueta, the irrational location of "Cervezas El Leon," the secrecy, the industrial dumps beyond all legality, the urban dumps, the incomplete and unused water conduit, the multiple sewers and the new canalization.

They also denounce the fact that the river is nothing more than a sewer for many industries and municipalities and "a source of profits for others, the hydroelectric power plants."

The descent of the river is an attempt to air the problems and to make a plea to the communities that are located near the river and to their institutions to do everything possible to respect the river.

The Urumea, whose name, according to Manuel de Larramendi, means "exquisite and subtle water," can lose the meager biological life remaining to it through the negative industrial and urban planning of recent decades, which caused factories and housing to be grouped indiscriminately and to convert this salmon-bearing river into "an absolute filthy mess," as was graphically expressed by the youths who combined fun with the demonstration of their demands yesterday.

To complete the planned distance, today at 11 am the boats will cover the stretch of the river to Astigarraga, where they will stop to rest and eat,

and then they will head for the San Sebastian, finishing the expedition below Santa Catalina Bridge, with a welcome by the citizens of San Sebastian and the txaranga "Moskornautak."

In the midst of a great atmosphere and a sense of expectation, a score of boats took on the Arga River to begin the third trip down that river, with the purpose of demanding above all its purity and punishment for anyone contaminating it. On this occasion, the beginning of the journey took place in the park "La Nogalera" in Burlada, and this first day concluded in the barrio of San Jorge, where the activities joined the "Fiestas of the Sun," also a demonstration of demands.

Although the start had been planned for 11 am, getting the boats lined up to start required a delay of half an hour, and once in the water it was found that the boats were working perfectly. Some of them were merely little rubber boats of the kind used in swimming pools, but others had been built by the crews themselves using tubs and boards, and in one of them there were even two levels to make rowing easier. Neither was the ecology flag absent among the boats.

In the midst of chants expressing their demands, the navigators of the Arga, aided by the current but obliged to row to overcome the resistance of the strong headwind, arrived in Pamplona, where they had to get past the "rapids" of the Swim Club, comprised of footbridges and Ziganda Mill--there some of the boats were at the point of capsizing. The participants of the journey were met at the bridges of the Txantrea by a goodly number of people and also by two vehicles belonging to the forces of public order. These were met by the navigators with chants of "go away, go away." On this occasion, they left, or better, they withdrew, because they returned later in the Alemanes zone when a poster, signed by HB, was put up that demanded that no buildings be constructed in this zone and that the zone be reserved for rest and recreation.

Around 2:30 pm, and after securing the boats, there was a meal prepared by the Association of Neighbors of the Txantrea, with "txistorra," sangria and "txuletas," and after a stop in the bar Irubide, the small fleet continued its way toward the barrio of San Jorge, having only to get past the rapids of San Pedro.

Societies

The participants in this first part of the trip were not just from Pamplona, but they also came from Puente la Reina, Orkoien, Ororbia, Arazuri and other localities. As some of them told us, the river pollution became especially apparent along the banks, where all the garbage and objects carried along by the floods accumulate and have not yet been cleaned up.

A little after 7 pm, the boats reached the river port of San Jorge, where they were met by numerous people with music and fireworks. It was there that the end of this first stage of the trip took place, but the

demonstration and the fiesta continued until near dawn, coinciding with the night celebration organized by the Association of the Neighbors of San Jorge to celebrate the "Fiestas of the Sun" and demand, in addition to a clean river, a square for the barrio. In the zone where they are asking to have the square constructed, there was a dinner for the people. The wine was paid for by the association and afterwards there was a dance until very late that night.

The boats used in this stretch of the river, which mainly flows through an urban zone, were layed up until next Friday, when the second part of the journey will begin, with a duration of 3 days. Departure will be from Ibero, and the itinerary for these three stages will be the following: Ibero-Belaskoain, Belaskoain-Puente La Reina and Puente La Reina-Larraga, the locality where this third journey will end with the celebration of a fiesta.

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